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No 9353.1 A 30



July-Dec.

1945

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THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 328

OCTOBER 7, 1945

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A Radio Broadcast

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OCT 30 1945

THE DEPARTMENT OF STATE

BULLETIN



VOL. XIII • No. 328 •

• PUBLICATION 2327

October 7, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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Report on First Session Of the Council of Foreign Ministers

Address by THE SECRETARY OF STATE ¹

[Released to the press October 5]

The first session of the Council of Foreign Ministers closed in a stalemate. But that need not, and should not, deprive us of a second and better chance to get on with the peace.

In the past I have been both criticized and commended for being a compromiser. I confess that I do believe that peace and political progress in international affairs as in domestic affairs depend upon intelligent compromise. The United States Delegation acted in that spirit at Berlin. We acted in that spirit at London. And we shall continue to act in that spirit at future conferences.

That spirit is essential in international conferences where action can be taken only by unanimous agreement. When any one member can prevent agreement, compromise is a necessity. Men and women who have served on a jury can appreciate that.

Compromise, however, does not mean surrender, and compromise unlike surrender requires the assent of more than one party.

The difficulties encountered at the London conference will, I hope, impress upon the peoples of all countries, including our own people, the hard reality that none of us can expect to write the peace in our own way. If this hard reality is accepted by statesmen and peoples at an early stage of the peacemaking process, it may at later stages save us and save the peace of the world from the disastrous effects of disillusionment and intransigences.

Regardless of how Americans may differ as to domestic policies, they desire unity in our foreign policies. This unity will be essential in the days ahead of us when we may expect differences in views by various governments as to peace settlements. However, the political party in power cannot expect this unity unless it freely consults representatives of the opposing political party.

Believing this, I requested Mr. John Foster Dulles, one of the best-informed Americans in the field of foreign relations and a loyal Republican, to accompany me to London in an advisory capacity. He has been more than an adviser; he has been a partner. Between us there have been no secrets. At the Council table and in private conference he has participated in the making of all decisions. Our accord serves to show that in foreign affairs Republicans and Democrats can work together and that in vital matters of foreign policy we Americans are united.

When it was agreed at Berlin to establish the Council of Foreign Ministers ² I think we all had in mind the precedent of the Dumbarton Oaks Conference. There, representatives of Great Britain, the Soviet Union, China, and the United States worked together to prepare draft proposals for the United Nations Charter as a basis for discussion with other nations. France was not present at Dumbarton Oaks only because France had not yet been liberated. Her right to permanent membership on the United Nations Security Council was not questioned.

Experience reveals that a certain degree of understanding among the major powers is essential to secure general agreement among many nations. When understanding among the great powers is not achieved in advance of a conference participated in by many nations, it usually has to be secured informally during the conference.

At the Versailles Conference, for example, it took the Big Three and the Big Five so long to agree among themselves that the complaint was

¹ Broadcast over the Columbia Broadcasting System from Washington on Oct. 5, 1945 at 9:30 p.m. E.S.T.

² BULLETIN of Aug. 5, 1945, p. 153.

made that the smaller powers had little more time to consider the treaty than was given to the Germans.

The Berlin agreement envisaged the naming of highranking deputies who could carry on the work of the Council in the absence of their chiefs, the Foreign Secretaries. The Council, as President Truman and I understood it, was to be a sort of combined staff to explore the problems and prepare proposals for the final peace settlements.

At Berlin it certainly was never intended that the three powers present or the five powers constituting the Council should take unto themselves the making of the final peace. The Berlin declaration setting up the Council begins with the statement "The Conference reached the following agreement for the establishment of a Council of Foreign Ministers to do the necessary preparatory work for the peace settlements."

The Council was not to make the peace settlements but to do the necessary preparatory work for the peace settlements. It certainly was not my intention to agree to any final treaty without first getting the views of the Foreign Relations Committee of the Senate which must pass upon all treaties before ratification.

The first session of the Council, so far as the personal participation of the Foreign Ministers was concerned, was intended to provide directives for the deputies in the preparation of treaties for Italy, Rumania, Bulgaria, Hungary, and Finland.

This work was exploratory—to find out on what points we were in agreement, on what points we differed, and on what points further study and data were required. It is a little naive to suppose that when really vital differences emerge, one nation or another is likely to abandon its position on the first interchange of views.

At this stage it is as important to know and understand wherein we and our Allies differ as wherein we agree. We must understand our points of difference before we can intelligently consider means of reconciling them.

So far as the Italian treaty was concerned I think we made very good progress toward agreement on directives to govern the work of our deputies.

There was ready acceptance of our proposal that Italy should undertake to maintain a bill of rights which will secure the freedoms of speech, religious

worship, political belief, and public meeting envisaged for Italy in the Moscow declaration of November 1943 and which will confirm the human rights and fundamental freedoms set forth in the Charter of the United Nations.

There was some difference among the conferees at the start as to providing for the limitation of armaments. But it was our feeling that Italy should rely on the United Nations for protection against aggression and should not engage in competition in armaments when all her resources are badly needed to restore her civilian economy. And this view gained general acceptance.

While the very controversial boundary dispute between Yugoslavia and Italy was not settled, it was encouraging to find that it was possible to agree that the line should in the main be governed by ethnic considerations and that regardless of its sovereignty there should be a free port at Trieste under international control.

The Council was in general agreement that the Dodecanese Islands should go to Greece although the assent of one member was qualified pending the study of certain questions by his government.

There was general agreement that the Italian colonies should come under the trusteeship provisions of the United Nations Charter. Various views were expressed as to the preferred form of trusteeship for the colonies.

The American Delegation was particularly gratified that the directive to the deputies, while not restricting their studies, called for special consideration of the American proposal for a truly international administration directly responsible to the United Nations with a view to the attainment of the greatest degree of independence of the inhabitants of two of the colonies at the end of ten years and independence for the people of a third colony at as early a date as possible.

This proposal was presented by the American Delegation when the Italian treaty first was taken up and was consistently adhered to.

It is our view that the object of a trusteeship should be to promote the self-government of the people of a colony and not to enrich a trustee or increase its economic or military power.

It was also agreed that Italian sovereignty should be restored on the conclusion of the treaty so that foreign troops may be withdrawn and, except as specially provided in the treaty, foreign controls within Italy terminated.

There was no definite understanding on reparations. The United States took the position that Italy could not pay anything like \$600,000,000. Apart from certain foreign assets, she should be required to pay as reparations only such factory and tool equipment designed for the manufacture of war implements which are not required for the limited military establishment permitted to her and which cannot be readily converted to peaceful purposes. If she is stripped of more, then her economy cannot be restored.

We have contributed several hundred million dollars for the relief of the Italian people. Their condition is deplorable. We must continue to help them. But we cannot contribute more millions, if those millions are to be used to enable Italy to pay reparations to other governments. We did that for Germany after the last war. We shall not do it again.

Substantial progress was also made on the directives for the preparatory work on the Finnish treaty and the treaties with Rumania and Bulgaria. The principles suggested by the American Delegation and accepted for the Italian treaty for the safeguarding of human rights and fundamental freedoms are also to be incorporated in these treaties.

The directives concerning the limitation of armament for Rumania and Bulgaria are expected to follow the same general line as those accepted for Italy.

Before work could be commenced upon the directives for the Hungarian treaty the Soviet Delegation announced they felt obliged to withdraw their assent to the procedure previously accepted by the Council for dealing with peace treaties.

Before taking up these procedural difficulties I should say a few words about the Soviet Delegation's disappointment with the failure of Great Britain and the United States to recognize the Bulgarian and Rumanian Governments.

The thought apparently exists in their mind that our government objects to these governments because they are friendly to the Soviet Union and that our unwillingness to recognize these governments is a manifestation of unfriendliness to the Soviet Union.

There could be no greater misconception of our attitude. I was at Yalta. The Yalta declaration on the liberated and ex-satellite countries was based on a proposal submitted by President Roose-

velt. Under it the Allied Powers, including the Soviet Union, assumed the responsibility of concerting their policies to assist in the establishment of interim governments broadly representative of all important democratic elements in the population and pledged to the earliest possible establishment through free elections of governments responsive to the will of the people. That pledge cannot be fulfilled in countries where freedom of speech and of assembly are denied.

That policy sponsored by President Roosevelt was America's policy and remains America's policy.

We are well aware that no government is perfect and that the representative character of any provisional government will always be subject to debate. We do not demand perfection where perfection is unobtainable.

In an effort to concert our policies with our Allies we have tried to show a spirit of conciliation. Certainly we did not make unduly exacting the requirements we set before we recognized the Provisional Polish Government or the conditions which we have proposed as a basis for the recognition of the Provisional Hungarian Government.¹

And I hope that as the result of efforts now being made by the Provisional Austrian Government to broaden its representation, we may soon be able to recognize that Government.

At Berlin we stated we would examine in the near future, in the light of prevailing conditions, the question of recognition of Rumania and Bulgaria. We have investigated and we shall continue to investigate. But we cannot know whether conditions justify recognition unless our political representatives are fully informed and unless our news correspondents are permitted freely to enter countries and freely to send their stories uncensored.

We do not seek to dictate the internal affairs of any people. We only reserve for ourselves the right to refuse to recognize governments if after investigation we conclude they have not given to the people the rights pledged to them in the Yalta agreement and in the Atlantic Charter.

The peace of Europe depends upon the existence of friendly relations between the Soviet Union and its European neighbors, and two wars in one generation have convinced the American people that they have a very vital interest in the maintenance of peace in Europe.

¹ BULLETIN of July 8, 1945, p. 47.

The American Government shares the desire of the Soviet Union to have governments friendly to the Soviet Union in eastern and central Europe.

But lasting peace depends not only upon friendship between governments but upon friendship between peoples.

Had it not been for the difficulties experienced by the Allied governments in agreeing upon a common policy in regard to the recognition of the governments of Rumania and Bulgaria a more conciliatory spirit might possibly have prevailed and might greatly have helped to overcome the procedural difficulties of the Council.

No one present at the Council on September 11 questioned the decision taken by the Council that day inviting all five members to be present at all meetings.

Directives for the Italian treaty were under discussion for several days with China, not a party to the surrender terms, present, participating in the discussion, but not voting. No one objected.

Directives for the Finnish treaty were then considered, with the United States, France, and China present but not voting. No one objected.

Directives for the Rumanian treaty and then for the Bulgarian treaty were considered, with France and China present but not voting. No one objected.

It was only on September 22 that the Soviet Delegation took the position that the decision of the Council on September 11 violated the Berlin agreement.

It will be recalled that the Berlin agreement set up a Council of the Soviet Union, Great Britain, France, China, and the United States to undertake the necessary preparatory work for the peace settlements. It provided that the Council should draw up with a view to their submission to the United Nations peace treaties with Italy, Rumania, Bulgaria, Hungary, and Finland.

It provided that in the discharge of these tasks the Council will be composed of members representing those states which were signatory to the terms of surrender imposed upon the enemy state concerned, and for the purpose of the Italian settlement France should be regarded as signatory to the surrender terms.

The Berlin agreement further provided that other members of the Council will be invited to participate when matters directly concerning them are under discussion.

This distinction between members of the Council who were parties to the surrender terms and those who were not, was not part of the original American proposal and was reluctantly accepted by us. We were fully aware that a member would not have the right to vote if not a party to the surrender terms, but we understood from the exchange of views at the table that all members would be allowed to participate in all discussions in the Council.

It certainly never occurred to President Truman or myself that any of the five members of the Council who are also the five permanent members of the United Nations Security Council, which is charged with the responsibility for maintaining the peace which the Council of Foreign Ministers is preparing, would not be invited to be present during the discussions of the treaties.

Such exclusion of two permanent members of the Security Council would not promote the harmonious relations essential to the success of the United Nations Organization.

The Soviet Delegation's position was not simply that they wished to withdraw the invitation to China and France to participate without right to vote. Their position was that it was beyond the authority of the States signatory to the surrender terms to extend the invitation.

Although this construction of the Berlin agreement did not accord with the understanding of the American Delegation or the British Delegation or the President of the United States or the Prime Minister of Great Britain, the Soviet Delegation insisted that they could no longer discuss treaty matters in the presence of members who were not parties to the surrender terms.

Thereafter the meetings of the Council for a number of days were confined to the discussion of other items on the agenda such as international inland waterways, the Ruhr, acceleration of German reparations, restitution, repatriation of Allied nationals, and the Austrian food supply.

When the general items on the agenda were exhausted, agreement had not been reached for solving the procedural obstacles which, in the view of the Soviet Delegation, made further discussion of treaty matters impossible until the decision of September 11 should be rescinded.

Since it had always been my view that the Berlin agreement contemplated a broadening out of the participants before the final conclusion of a

peace treaty, I sought to find a compromise along that line.

The Berlin agreement expressly provided in section 4 of the article establishing the Council that the Council may adapt its procedures to the particular problems under discussion; that in some cases it may hold its own discussions prior to the participation of other interested states; and in other cases it may convoke a formal conference of states interested in particular problems.

I therefore proposed, with considerable reluctance, that we ask our French and Chinese colleagues to accept the position of the Soviet Delegation that the preparatory and exploratory work of the Council for the peace settlements be confined to the signatories of the surrender terms in question, provided that at the same time it should be agreed that a truly representative peace conference should be convoked before the end of the year. To ensure the calling of such a conference we thought that France and China, in the interest of peace, might make even this sacrifice.

This conference would be convoked for the purpose of considering the peace treaties with Italy, Rumania, Bulgaria, Hungary, and Finland. To the conference would be invited:

(1) The five members of the Council of Foreign Ministers which are also the five permanent members of the United Nations Security Council;

(2) All European members of the United Nations;

(3) All non-European members of the United Nations which supplied substantial military contingents in the war against the European members of the Axis.

The American Delegation took the position that, in an interdependent, democratic world, peace cannot be the exclusive concern of a few presently powerful states; that unless we were to revert to a world of isolationism none of the states which we wanted invited to the peace conference could be said to be not directly concerned in the peace.

We urged that those states, both large and small, which had fought and suffered in the war must make the peace. This has been a peoples' war and it must be a peoples' peace.

The Soviet Delegation stated, however, that they could not agree to the American proposal for a peace conference until they had returned to Moscow and had personal consultations with their Government.

It therefore became obvious that there could be no agreement unless the other delegations were prepared to yield their views and convictions to those of the Soviet Delegation. This none of the other delegations was prepared to do.

The United States is willing to dictate terms of peace to an enemy but is not willing to dictate terms of peace to its Allies.

Our task then became one of arranging an adjournment until the Soviet Delegation could return to Moscow. It is customary before adjournment to adopt and have all conferees to sign a protocol containing a record of the agreed decisions of a conference. The Soviet Delegation would not agree to the inclusion in the protocol of the decision of September 11 that the five members should participate in all meetings, even though it included a statement of the action taken by the Soviet Delegation on September 22 to withdraw their assent to that decision.

On the last day of the session the Soviet Delegation announced it would offer a compromise proposal. The proposal was that there should be four separate protocols without recording in any of them the decision of September 11 which had been agreed to by them but which they later wished to rescind. This was the same position that they had urged for days. The only thing new about it was the suggestion that on the following day they would discuss unsettled questions including the American proposal for a peace conference and the disputed September 11 decision.

In answer to a question the Soviet Foreign Minister stated that while he could discuss the proposal for a peace conference, he still was without authority to act upon it. The proposal had been discussed for a week. Further discussion without action was futile.

It was also obvious that once the four protocols were signed, it would be useless on the following day to discuss the question of inserting in the protocols the decision of September 11. An objection by the Soviet Delegation would prevent its insertion.

The Soviet Delegation also reiterated their position that they would not discuss the treaties in the presence of members they now believed to be ineligible. This would have excluded China from the consideration of all treaties and France from the consideration of all but one, without any assurance of participation in a peace conference.

It became apparent that agreement was impossible and further meetings were useless. The Chinese Foreign Minister, who was presiding when the Council adjourned and at whose instance the Council had remained in session from Sunday until Tuesday, stated that under the circumstances he could not ask the Council to continue in session longer.

As the record stands the Foreign Minister of the Soviet Union has not rejected our proposal for a peace conference. During the discussions he admitted it was correct in principle. My hope is that, after he has conferred with his government, his government will agree that the nations that fought the war—the World War—shall have a chance to make the world peace.

The matter that caused the suspension of our work is no trivial or technical question. It presented an issue that had to be met. It is whether the peace shall be made by three or even five nations to the exclusion of other nations vitally concerned in the maintenance and enforcement of the peace which is being prepared.

The issue goes even deeper. The Council of Foreign Ministers acts under the unanimity rule just as the Security Council of the United Nations must act in many important matters, but in the Security Council no nation has the veto power in procedural matters while in the Council of Foreign Ministers one nation can veto all action.

The veto power is a great power and should not be lightly exercised. We are willing to make many concessions but the United States does not believe in agreement at any price.

The power of veto in procedural matters should not be used by the United States or any other nation to coerce the judgment and conscience of fellow nations.

Peace must be based upon mutual understanding and mutual respect. It can not be secured by procedural maneuverings which obscure from the people the real and vital issues upon which their peace depends.

Undeterred by temporary set-backs and ever willing to accord to others that tolerant understanding that we wish others to accord to us, we must not relax in our efforts to achieve a just and lasting peace for ourselves and all nations. "With firmness in the right as God gives us to see the right, let us strive on to finish the work we are in."

Financial and Trade Discussions With United Kingdom

JOINT STATEMENT BY THE UNITED STATES AND THE UNITED KINGDOM

[Released to the press October 1]

The initial meeting of the Commercial Policy Committee of the United States - United Kingdom economic negotiations was held at 11 a.m. today in the Department of State. The Honorable William L. Clayton, Assistant Secretary of State for economic affairs, presided. The other members of the United States Delegation at the meeting were the Honorable Henry A. Wallace, Secretary of Commerce; Dr. Harry White, Assistant Secretary of the Treasury; the Honorable Oscar B. Ryder, Chairman of the Tariff Commission; and Mr. Leslie Wheeler, Director of the Office of Foreign Agricultural Relations of the Department of Agriculture.

The members of the United Kingdom Delegation at the meeting were the Right Honorable the Earl of Halifax, K.G., Ambassador to the United States; Lord Keynes, Adviser to the Chancellor of the Exchequer; Sir Percivale Liesching of the Board of Trade; Mr. R. H. Brand, Head of the United Kingdom Treasury Delegation in Washington; Professor Lionel Robbins of the Cabinet Offices; and Mr. R. J. Shackle of the Board of Trade.

The purpose of the meetings of the Commercial Policy Committee will be to discuss, within the framework of article VII of the United States - United Kingdom mutual-aid agreement, the broad aspects of future trade relations between the two countries. The Committee will discuss tariffs and discriminatory arrangements, quantitative restrictions, and other barriers to trade; international policy with respect to commodity agreements and the control of international cartels; the establishment of an international trade organization; and international cooperation in the maintenance of employment.

Statement by the Secretary of State on the Meetings of the Council of Foreign Ministers¹

[Released to the press October 3]

The Council of Foreign Ministers at its initial series of meetings dealt with many matters in accordance with the directive from the Berlin Conference to continue the preparatory work for the peace settlements with a view to submitting their conclusions to the United Nations. The present meeting is the first meeting of the principal Allies to be held since the fighting has stopped, and there emerged differences of views which had not appeared so long as the first imperative was to preserve fighting unity. There was a considerable area of agreement. The differences which developed were explored in a spirit of conciliation, and there is good reason to believe that with continued patience and understanding on all sides agreement on essentials can be attained. We are determined upon that outcome. Toward the conclusion of the present series of meetings procedural difficulties arose. The Soviet Delegation came to feel that treaty discussions should be confined in each case to the signatories of the surrender terms as contemplated by the first and narrow provision of article II 3. (ii) of the Berlin agreement rather than under other and broader provisions of the Berlin agreement.²

The Soviet Delegation on September 22 took the position that the Council should rescind or withdraw its September eleventh decision whereby France and China were invited to participate in all discussions.³ This would have meant the elimination of China from the pending discussion of the European peace treaties and the similar elimination of France except in the case of the treaty with Italy. The Secretary of State of the United States took the position that he would be reluctant to see such narrowing of participation in the pending work on the European peace treaties and the elimination therefrom of two permanent members of the United Nations Security Council. He would, however, accept any preliminary treaty-

making procedure which was consistent with the Berlin agreement provided the Council agreed as authorized by article II 4. (ii) of the Berlin agreement to call a peace conference of the principally interested states. Such a conference should include the permanent members of the Security Council, the European members of the United Nations, and non-European members which supplied substantial military contingents against the European members of the Axis. The conference would review the preliminary treaty work of the Council. The Soviet Delegation took the position that without personal consultation with their Government they could not make any commitment with reference to such a future peace conference. In the circumstances, work of the Council will be held in abeyance. If, as we confidently hope, agreement regarding future procedure is obtained, the drafting work of the deputies can then go forward on the basis of directives already given the deputies by the Council.

Charter of the United Nations

[Released to the press October 1]

China

Wei Tao-ming, Ambassador of China, deposited with the Department of State on September 28 the Chinese instrument of ratification of the Charter of the United Nations and the annexed Statute of the International Court of Justice.

Turkey

Hüseyin Ragip Baydur, Ambassador of Turkey, deposited with the Department of State on September 28 the Turkish instrument of ratification of the Charter and Statute.

Ten nations have now deposited their instruments of ratification of the Charter in the order listed: United States, France, Dominican Republic, Nicaragua, New Zealand, Brazil, Argentina, El Salvador, China, and Turkey.

¹ Made in London on Oct. 2, 1945.

² BULLETIN of Aug. 5, 1945, p. 153.

³ BULLETIN of Sept. 16, 1945, p. 392.

International Control of Atomic Energy

EXCERPTS FROM THE PRESIDENT'S MESSAGE TO THE CONGRESS

[Released to the press by the White House October 3]

To the Congress of the United States:

Almost two months have passed since the atomic bomb was used against Japan. That bomb did not win the war, but it certainly shortened the war. We know that it saved the lives of untold thousands of American and Allied soldiers who would otherwise have been killed in battle.

The discovery of the means of releasing atomic energy began a new era in the history of civilization. The scientific and industrial knowledge on which this discovery rests does not relate merely to another weapon. It may some day prove to be more revolutionary in the development of human society than the invention of the wheel, the use of metals, or the steam or internal-combustion engine.

Never in history has society been confronted with a power so full of potential danger and at the same time so full of promise for the future of man and for the peace of the world. I think I express the faith of the American people when I say that we can use the knowledge we have won, not for the devastation of war, but for the future welfare of humanity.

To accomplish that objective we must proceed along two fronts—the domestic and the international.

.

The other phase of the problem is the question of the international control and development of this newly discovered energy.

In international relations as in domestic affairs, the release of atomic energy constitutes a new force too revolutionary to consider in the framework of old ideas. We can no longer rely on the slow progress of time to develop a program of control among nations. Civilization demands that we shall reach at the earliest possible date a satisfactory arrangement for the control of this discovery in order that it may become a powerful and forceful influence towards the maintenance of world peace instead of an instrument of destruction.

Scientific opinion appears to be practically

unanimous that the essential theoretical knowledge upon which the discovery is based is already widely known. There is also substantial agreement that foreign research can come abreast of our present theoretical knowledge in time.

The hope of civilization lies in international arrangements looking, if possible, to the renunciation of the use and development of the atomic bomb, and directing and encouraging the use of atomic energy and all future scientific information toward peaceful and humanitarian ends. The difficulties in working out such arrangements are great. The alternative to overcoming these difficulties, however, may be a desperate armament race which might well end in disaster. Discussion of the international problem cannot be safely delayed until the United Nations Organization is functioning and in a position adequately to deal with it.

I therefore propose to initiate discussions, first with our associates in this discovery, Great Britain and Canada, and then with other nations, in an effort to effect agreement on the conditions under which cooperation might replace rivalry in the field of atomic power.

I desire to emphasize that these discussions will not be concerned with disclosures relating to the manufacturing processes leading to the production of the atomic bomb itself. They will constitute an effort to work out arrangements covering the terms under which international collaboration and exchange of scientific information might safely proceed.

The outcome of the discussions will be reported to the Congress as soon as possible, and any resulting agreements requiring congressional action will be submitted to the Congress.

But regardless of the course of discussions in the international field, I believe it is essential that legislation along the lines I have indicated be adopted as promptly as possible to insure the necessary research in, and development and control of, the production and use of atomic energy.

HARRY S. TRUMAN

THE WHITE HOUSE
October 3, 1945

Arrangements for Control of Germany by Allied Representatives

AGREEMENT BETWEEN THE GOVERNMENTS OF THE UNITED KINGDOM, THE UNITED STATES OF AMERICA, AND THE UNION OF SOVIET SOCIALIST REPUBLICS, AND THE PROVISIONAL GOVERNMENT OF THE FRENCH REPUBLIC ON CERTAIN ADDITIONAL REQUIREMENTS TO BE IMPOSED ON GERMANY¹

The Governments of the U.K., U.S.A., and U.S.S.R. and Provisional Government of French Republic have reached the following agreement regarding instructions to be issued by the Allied representatives in Germany:

We, the Allied Representatives, Commanders-in-Chief of the forces of occupation of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics and the French Republic, pursuant to the Declaration regarding the defeat of Germany, signed at Berlin on 5th June, 1945,² hereby announce certain additional requirements arising from the complete defeat and unconditional surrender of Germany with which Germany must comply, as follows:—

SECTION I

1. All German land, naval and air forces, the S.S., S.A., S.D. and Gestapo, with all their organizations, staffs and institutions, including the General Staff, the Officers' Corps, Reserve Corps, military schools, war veterans' organizations and all other military and quasi-military organizations, together with all clubs and associations which serve to keep alive the military tradition in Germany, shall be completely and finally abolished in accordance with methods and procedures to be laid down by the Allied Representatives.

2. All forms of military training, military propaganda and military activities of whatever nature, on the part of the German people, are prohibited, as well as the formation of any organization initiated to further any aspect of military training and the formation of war veterans' organizations or other groups which might develop military characteristics or which are designed to carry

on the German military tradition, whether such organizations or groups purport to be political, educational, religious, social, athletic or recreational or of any other nature.

SECTION II

3. (a) German authorities and officials in all territories outside the frontiers of Germany as they existed on 31st December, 1937, and in any areas within those frontiers indicated at any time by the Allied Representatives, will comply with such instructions as to withdrawing therefrom as they may receive from the Allied Representatives.

(b) The German authorities will issue the necessary instructions and will make the necessary arrangements for the reception and maintenance in Germany of all German civilian inhabitants of the territories or areas concerned, whose evacuation may be ordered by the Allied Representatives.

(c) Withdrawals and evacuations under subparagraphs (a) and (b) above will take place at such times and under such conditions as the Allied Representatives may direct.

4. In the territories and areas referred to in paragraph 3 above, there shall immediately be, on the part of all forces under German command and of German authorities and civilians, a complete cessation of all measures of coercion or forced labor and of all measures involving injury to life or limb. There shall similarly cease all measures of requisitioning, seizure, removal, concealment or destruction of property. In particular, the withdrawals and evacuations mentioned in paragraph 3 above will be carried out without damage to or removal of persons or property not affected by the orders of the Allied Representatives. The Allied Representatives will determine what personal property and effects may be taken by persons evacuated under paragraph 3 above.

SECTION III

5. The Allied Representatives will regulate all matters affecting Germany's relations with other

¹ Made in Berlin Sept. 20, 1945.

² BULLETIN of June 10, 1945, p. 1051.

countries. No foreign obligations, undertakings or commitments of any kind will be assumed or entered into by or on behalf of German authorities or nationals without the sanction of the Allied Representatives.

6. The Allied Representatives will give directions concerning the abrogation, bringing into force, revival or application of any treaty, convention or other international agreement, or any part or provision thereof, to which Germany is or has been a party.

7. (a) In virtue of the unconditional surrender of Germany, and as of the date of such surrender, the diplomatic, consular, commercial and other relations of the German State with other States have ceased to exist.

(b) Diplomatic, consular, commercial and other officials and members of service missions in Germany of countries at war with any of the four Powers will be dealt with as the Allied Representatives may prescribe. The Allied Representatives may require the withdrawal from Germany of neutral diplomatic, consular, commercial and other officials and members of neutral service missions.

(c) All German diplomatic, consular, commercial and other officials and members of German service missions abroad are hereby recalled. The control and disposal of the buildings, property and archives of all German diplomatic and other agencies abroad will be prescribed by the Allied Representatives.

8. (a) German nationals will, pending further instructions, be prevented from leaving German territory except as authorized or directed by the Allied Representatives.

(b) German authorities and nationals will comply with any directions issued by the Allied Representatives for the recall of German nationals resident abroad, and for the reception in Germany of any persons whom the Allied Representatives may designate.

9. The German authorities and people will take all appropriate steps to ensure the safety, maintenance and welfare of persons not of German nationality and of their property and the property of foreign States.

SECTION IV

10. The German authorities will place at the disposal of the Allied Representatives the whole of the German inter-communication system (in-

cluding all military and civilian postal and telecommunication systems and facilities and connected matters), and will comply with any instructions given by the Allied Representatives for placing such inter-communication systems under the complete control of the Allied Representatives. The German authorities will comply with any instructions given by the Allied Representatives with a view to the establishment by the Allied Representatives of such censorship and control of postal and telecommunication and of documents and other articles carried by persons or otherwise conveyed and of all other forms of inter-communication as the Allied Representatives may think fit.

11. The German authorities will comply with all directions which the Allied Representatives may give regarding the use, control and censorship of all media for influencing expression and opinions, including broadcasting, press and publications, advertising, films and public performances, entertainments, and exhibitions of all kinds.

SECTION V

12. The Allied Representatives will exercise such control as they deem necessary over all or any part or aspect of German finance, agriculture (including forestry) production and mining, public utilities, industry, trade, distribution and economy generally, internal and external, and over all related or ancillary matters, including the direction or prohibition of the manufacture, production, construction, treatment, use and disposal of any buildings, establishments, installations, public or private works, plant, equipment, products, materials, stocks, or resources. Detailed statements of the subjects to which the present provision applies, together with the requirements of the Allied Representatives in regard thereto, will from time to time be communicated to the German authorities.

13. (a) The manufacture, production and construction, and the acquisition from outside Germany, of war material and of such other products, used in connection with such manufacture, production or construction, as the Allied Representatives may specify, and the import, export and transit thereof, are prohibited, except as directed by the Allied Representatives.

(b) The German authorities will immediately place at the disposal of the Allied Representatives all research, experiment, development and design

directly or indirectly relating to war or the production of war material, whether in government or private establishments, factories, technological institutions or elsewhere.

14. (a) The property, assets, rights, titles and interests (whether situated inside or outside Germany) of the German State, its political subdivisions, the German Central Bank, State or semi-State, provincial, municipal or local authorities or Nazi organizations, and those situated outside Germany of any person resident or carrying on business in Germany, will not be disposed of in any way whatever without the sanction of the Allied Representatives. The property, assets, rights, titles and interests (whether situated inside or outside Germany), of such private companies, corporations, trusts, cartels, firms, partnerships and associations as may be designated by the Allied Representatives will not be disposed of in any way whatever without the sanction of the Allied Representatives.

(b) The German authorities will furnish full information about the property, assets, rights, titles and interests referred to in sub-paragraph (a) above, and will comply with such directions as the Allied Representatives may give as to their transfer and disposal. Without prejudice to any further demands which may be made in this connection, the German authorities will hold at the disposal of the Allied Representatives for delivery to them at such times and places as they may direct all securities, certificates, deeds or other documents of title held by any of the institutions or bodies mentioned in sub-paragraph (a) above or by any person subject to German law, and relating to property, assets, rights, titles and interests situated in the territories of the United Nations, including any shares, stocks, debentures or other obligations of any company incorporated in accordance with the laws of any of the United Nations.

(c) Property, assets, rights, titles and interests situated inside Germany will not be removed outside Germany or be transferred or disposed of to any person resident or carrying on business outside Germany without the sanction of the Allied Representatives.

(d) Nothing in sub-paragraphs (a) and (b) above shall, as regards property, assets, rights, titles and interests situated inside Germany, be deemed to prevent sales or transfers to persons

resident in Germany for the purpose of maintaining or carrying on the day-to-day national life, economy and administration, subject to the provisions of sub-paragraph 19 (b) and (c) below and to the provisions of the Declaration or of any proclamations, orders, ordinances or instructions issued thereunder.

15. (a) The German authorities and all persons in Germany will hand over to the Allied Representatives all gold and silver, in coin or bullion forms, and all platinum in bullion form, situated in Germany, and all such coin and bullion situated outside Germany as is possessed by or held on behalf of any of the institutions or bodies mentioned in sub-paragraph 14 (a) above or any person resident or carrying on business in Germany.

(b) The German authorities and all persons in Germany will hand over in full to the Allied Representatives all foreign notes and coins in the possession of any German authority, or of any corporation, association or individual resident or carrying on business in Germany, and all monetary tokens issued or prepared for issue by Germany in the territories formerly occupied by her or elsewhere.

16. (a) All property, assets, rights, titles and interests in Germany held for or belonging to any country against which any of the United Nations is carrying on hostilities, or held for or belonging to the nationals of any such country, or of any persons resident or carrying on business therein, will be taken under control and will be preserved pending further instructions.

(b) All property, assets, rights, titles and interests in Germany held for or belonging to private individuals, private enterprises and companies of those countries, other than Germany and the countries referred to in sub-paragraph (a) above, which have at any time since the 1st September, 1939, been at war with any of the United Nations, will be taken under control and will be preserved pending further instructions.

(c) The German authorities will take all necessary steps to ensure the execution of the provisions of sub-paragraphs (a) and (b) above, will comply with any instructions given by the Allied Representatives for that purpose, and will afford all necessary information and facilities in connection therewith.

17. (a) There shall, on the part of the German

authorities and people, be no concealment, destruction, scuttling, or dismantling of, removal or transfer of, nor damage to, ships, transport, ports or harbours, nor to any form of building, establishment, installation, device, means of production, supply, distribution or communication, plant, equipment, currency, stocks or resources, or, in general, public or private works, utilities or facilities of any kind, wherever situated.

(b) There shall be no destruction, removal, concealment, suppression or alteration of any documents, records, patents, drawings, specifications, plans or information, of any nature, affected by the provisions of this document. They shall be kept intact in their present locations until further directions are given. The German authorities will afford all information and facilities as required by the Allied Representatives in connection therewith.

(c) Any measures already ordered, undertaken or begun contrary to the provisions of sub-paragraphs (a) and (b) above will be immediately countermanded or discontinued. All stocks, equipment, plant, records, patents, documents, drawings, specifications, plans or other material already concealed within or outside Germany will forthwith be declared and will be dealt with as the Allied Representatives may direct.

(d) Subject to the provisions of the Declaration or any proclamations, orders, ordinances, or instructions issued thereunder, the German authorities and people will be responsible for the preservation, safeguarding and upkeep of all forms of property and materials affected by any of the said provisions.

(e) All transport material, stores, equipment, plant, establishments, installations, devices and property generally, which are liable to be surrendered or delivered under the Declaration or any proclamations, orders, ordinances or instructions issued thereunder, will be handed over intact and in good condition, or subject only to ordinary wear and tear and to any damage caused during the continuance of hostilities which it has proved impossible to make good.

18. There shall be no financial, commercial or other intercourse with, or dealings with or for the benefit of, countries at war with any of the United Nations, or territories occupied by such countries, or with any other country or person specified by the Allied Representatives.

SECTION VI

19. (a) The German authorities will carry out, for the benefit of the United Nations, such measures of restitution, reinstatement, restoration, reparation, reconstruction, relief and rehabilitation as the Allied Representatives may prescribe. For these purposes the German authorities will effect or procure the surrender or transfer of such property, assets, rights, titles and interests, effect such deliveries and carry out such repair, building and construction work, whether in Germany or elsewhere, and will provide such transport, plant equipment and materials of all kinds, labour, personnel and specialist and other services, for use in Germany or elsewhere, as the Allied Representatives may direct.

(b) The German authorities will also comply with all such directions as the Allied Representatives may give relating to property, assets, rights, titles and interests located in Germany belonging to any one of the United Nations or its nationals or having so belonged at, or at any time since, the outbreak of war between Germany and that Nation, or since the occupation of any part of its territories by Germany. The German authorities will be responsible for safeguarding, maintaining, and preventing the dissipation of, all such property, assets, rights, titles and interests, and for handing them over intact at the demand of the Allied Representatives. For these purposes the German authorities will afford all information and facilities required for tracing any property, assets, rights, titles or interests.

(c) All persons in Germany in whose possession such property, assets, rights, titles and interests may be, shall be personally responsible for reporting them and for safeguarding them until they are handed over in such manner as may be prescribed.

20. The German authorities will supply free of cost such German currency as the Allied Representatives may require, and will withdraw and redeem in German currency, within such time limits and on such terms as the Allied Representatives may specify, all holdings in German territory of currencies issued by the Allied Representatives during military operations or occupation, and will hand over the currencies so withdrawn free of cost to the Allied Representatives.

21. The German authorities will comply with all such directions as may be issued by the Allied

Representatives for defraying the costs of the provisioning, maintenance, pay, accommodation and transport of the forces and agencies stationed in Germany by authority of the Allied Representatives, the costs of executing the requirements of unconditional surrender, and payment for any relief in whatever form it may be provided by the United Nations.

22. The Allied Representatives will take and make unrestricted use (whether inside or outside Germany) of any articles referred to in paragraph 12 above, which the Allied Representatives may require in connection with the conduct of hostilities against any country with which any of their respective Governments is at war.

SECTION VII

23. (a) No merchant ship, including fishing or other craft, shall put to sea from any German port except as may be sanctioned or directed by the Allied Representatives. German ships in ports outside Germany shall remain in port and those at sea shall proceed to the nearest German or United Nations port and there remain, pending instructions from the Allied Representatives.

(b) All German merchant shipping, including tonnage under construction or repair, will be made available to the Allied Representatives for such use and on such terms as they may prescribe.

(c) Foreign merchant shipping in German service or under German control will likewise be made available to the Allied Representatives for such use and on such terms as they may prescribe. In the case of such foreign merchant vessels which are of neutral registration, the German authorities will take all such steps as may be required by the Allied Representatives to transfer or cause to be transferred to the Allied Representatives all rights relative thereto.

(d) All transfer to any other flag, service or control, of the vessels covered by sub-paragraphs (b) and (c) above, is prohibited, except as may be directed by the Allied Representatives.

24. Any existing options to repurchase or reacquire or to resume control of vessels sold or otherwise transferred or chartered by Germany during the war will be exercised as directed by the Allied Representatives. Such vessels will be made available for use by the Allied Representatives in the same manner as the vessels covered by sub-paragraphs 23 (b) and (c) above.

25. (a) The crews of all German merchant vessels or merchant vessels in German service or under German control will remain on board and will be maintained by the German authorities pending further instructions from the Allied Representatives regarding their future employment.

(b) Cargoes on board any such vessels will be disposed of in accordance with instructions given to the German authorities by the Allied Representatives.

26. (a) Merchant ships, including fishing and other craft of the United Nations (or of any country which has broken off diplomatic relations with Germany) which are in German hands, wherever such ships may be, will be surrendered to the Allied Representatives regardless of whether title has been transferred as the result of prize court proceedings or otherwise. All such ships will be surrendered in good repair and in seaworthy condition in ports and at times to be specified by the Allied Representatives, for disposal as directed by them.

(b) The German authorities will take all such steps as may be directed by the Allied Representatives to effect or complete transfers of title to such ships regardless of whether the title has been transferred as the result of prize court proceedings or otherwise. They will secure the discontinuance of any arrests of, or proceedings against, such ships in neutral ports.

27. The German authorities will comply with any instructions given by the Allied Representatives for the destruction, dispersal, salvaging, reclamation or raising of wrecked, stranded, derelict or sunken vessels, wherever they may be situated. Such vessels salvaged, reclaimed or raised shall be dealt with as the Allied Representatives direct.

28. The German authorities will place at the unrestricted disposal of the Allied Representatives the entire German shipping, shipbuilding and ship repair industries, and all matters and facilities directly or indirectly relative or ancillary thereto, and will provide the requisite labour and specialist services. The requirements of the Allied Representatives will be specified in instructions which will from time to time be communicated to the German authorities.

SECTION VIII

29. The German authorities will place at the unrestricted disposal of the Allied Representa-

tives the whole of the German inland transport system (road, rail, air and waterways) and all connected material, plant and equipment, and all repair, construction, labour, servicing and running facilities, in accordance with the instructions issued by the Allied Representatives.

30. The production in Germany and the possession, maintenance or operation by Germans of any aircraft of any kind or any parts thereof, are prohibited.

31. All German rights in international transport bodies or organizations, and in relation to the use of transport and the movement of traffic in other countries and the use in Germany of the transport of other countries, will be exercised in accordance with the directions of the Allied Representatives.

32. All facilities for the generation, transmission and distribution of power, including establishments for the manufacture and repair of such facilities, will be placed under the complete control of the Allied Representatives, to be used for such purposes as they may designate.

SECTION IX

33. The German authorities will comply with all such directions as the Allied Representatives may give for the regulation of movements of population and for controlling travel or removal on the part of persons in Germany.

34. No person may leave or enter Germany without a permit issued by the Allied Representatives or on their authority.

35. The German authorities will comply with all such directions as the Allied Representatives may give for the repatriation of persons not of German nationality in or passing through Germany, their property and effects, and for facilitating the movements of refugees and displaced persons.

SECTION X

36. The German authorities will furnish any information and documents, and will secure the attendance of any witnesses, required by the Allied Representatives for the trial of

(a) the principal Nazi leaders as specified by the Allied Representatives and all persons from time to time named or designated by rank, office or employment by the Allied Representatives as

being suspected of having committed, ordered or abetted war crimes or analogous offences:

(b) any national of any of the United Nations who is alleged to have committed an offence against his national law and who may at any time be named or designated by rank, office or employment by the Allied Representatives;

and will give all other aid and assistance for these purposes.

37. The German authorities will comply with any directions given by the Allied Representatives in regard to the property of any person referred to in sub-paragraphs 36 (a) and (b) above, such as its seizure, custody or surrender.

SECTION XI

38. The National Socialist German Workers' Party (NSDAP) is completely and finally abolished and declared to be illegal.

39. The German authorities will comply promptly with such directions as the Allied Representatives may issue for the abolition of the National Socialist Party and of its subordinate organizations, affiliated associations and supervised organizations, and of all Nazi public institutions created as instruments of Nazi domination, and of such other organizations as may be regarded as a threat to the security of the Allied forces or to international peace, and for prohibiting their revival in any form; for the dismissal and internment of Nazi personnel; for the control or seizure of Nazi property and funds; and for the suppression of Nazi ideology and teaching.

40. The German authorities and German nationals will not allow the existence of any secret organizations.

41. The German authorities will comply with such directions as the Allied Representatives may issue for the repeal of Nazi legislation and for the reform of German law and of the German legal, judicial, administrative, police and educational systems, including the replacement of their personnel.

42. (a) The German authorities will comply with such directions as the Allied Representatives may issue for the rescinding of German legislation involving discrimination on grounds of race, colour, creed, language or political opinions and for the cancellation of all legal or other disabilities resulting therefrom.

(b) The German authorities will comply with such directions as the Allied Representatives may issue regarding the property, assets, rights, titles and interests of persons affected by legislation involving discrimination on grounds of race, colour, creed, language or political opinions.

43. No person shall be prosecuted or molested by the German authorities or by German nationals on grounds of race, colour, creed, language or political opinions, or on account of any dealings or sympathies with the United Nations, including the performance of any action calculated to facilitate the execution of the Declaration or of any proclamations, orders, ordinances or instructions issued thereunder.

44. In any proceedings before any German Court or authority judicial notice shall be taken of the provisions of the Declaration and of all proclamations, orders, ordinances and instructions issued thereunder, which shall override any provisions of German law inconsistent therewith.

SECTION XII

45. Without prejudice to any specific obligations contained in the provisions of the Declaration or any proclamations, orders, ordinances or instructions issued thereunder, the German authorities and any other person in a position to do so will furnish or cause to be furnished all such information and documents of every kind, public and private, as the Allied Representatives may require.

46. The German authorities will likewise produce for interrogation and employment by the Allied Representatives upon demand any and all persons whose knowledge and experience would be useful to the Allied Representatives.

47. The Allied Representatives will have access at all times to any building, installation, establishment, property or area, and any of the contents thereof, for the purposes of the Declaration or any proclamations, orders, ordinances or instructions issued thereunder, and in particular for the purposes of safeguarding, inspecting, copying or obtaining any of the desired documents and information. The German authorities will give all necessary facilities and assistance for this purpose, including the service of all specialist staff, including archivists.

¹ See BULLETIN of Sept. 30, 1945, p. 498.

SECTION XIII

48. In the event of any doubt as to the meaning or interpretation of any term or expression in the Declaration and in any proclamations, orders, ordinances and instructions issued thereunder, the decision of the Allied Representatives shall be final.

Termination of Treaties

Siam-Japan

The Siamese Legation informed the Department in a note dated October 1, 1945 that on September 26, 1945 the Siamese Minister of Foreign Affairs announced by cable to the Japanese Minister of Foreign Affairs the termination of certain agreements concluded between Siam and Japan. The first was the treaty concerning the continuance of friendly relations with, and mutual respect of, each other's territorial integrity, signed at Tokyo on June 12, 1940. Also terminated was the protocol concerning guaranties and political understanding of May 9, 1941 as well as all existing agreements of a political nature.

The Legation stated that in announcing the above-mentioned action the Minister of Foreign Affairs of Siam declared that the formal denunciation of all treaties, agreements, and arrangements of a political nature concluded with Japan during the period of Luang Pibul's premiership had now been completed.¹

Visit of Bolivian Educator

[Released to the press October 3]

Dr. Martín Cárdenas, Rector of the University of Cochabamba, in Bolivia, is guest of the Department of State while conferring with agricultural experts on plant breeding techniques, with especial reference to the potato and Indian corn. His present visit will include several weeks' study of the work in plant exploration and introduction carried on by the Department of Agriculture at Beltsville, Maryland. He will also visit the Virginia University Experimental Farm at Boyce, the Botanical Museum and Gray Herbarium at Harvard, the College of Agriculture of Cornell, similar centers of agricultural research, and western potato-producing regions.

United States Delegation to Conference on Food and Agriculture

[Released to the press by the White House October 3]

The President has designated the following persons as members of the United States Delegation to the first session of the Conference of the Food and Agriculture Organization of the United Nations, to be held at Quebec, Canada, October 16, 1945.

United States Member:

CLINTON P. ANDERSON, Secretary of Agriculture

Deputy United States Member:

WILLIAM L. CLAYTON, Assistant Secretary of State

Alternate United States Member:

HOWARD R. TOLLEY, United States Representative on the United Nations Interim Commission on Food and Agriculture

Congressional Advisers:

ELMER THOMAS, United States Senate, Chairman, Committee on Agriculture and Forestry

RAYMOND E. WILLIS, United States Senate, Member, Committee on Agriculture and Forestry

JOHN W. FLANNAGAN, JR., United States House of Representatives, Chairman, Committee on Agriculture

CLIFFORD R. HOPE, United States House of Representatives, Member, Committee on Agriculture

Advisers:

ANDREW W. ANDERSON, Fish and Wildlife Service, Department of the Interior

PAUL APPLEBY, Assistant Director, Bureau of the Budget

H. G. BENNETT, President, Oklahoma Agricultural and Mechanical College

HUGH BENNETT, Soil Conservation Service, Department of Agriculture

HOMER L. BRINKLEY, President, National Council of Farmer Cooperatives

R. E. BUCHANAN, Director, Agricultural Experiment Station, Ames, Iowa

EDWARD G. CALE, Acting Associate Chief, Commodities Division, Department of State

P. V. CARDON, Agricultural Research Administration, Department of Agriculture

A. L. DEERINO, Dean, College of Agriculture, University of Maine

MORDECAI EZEKIEL, Bureau of Agricultural Economics, Department of Agriculture

ALBERT S. GOSS, Master, the National Grange

HENRY S. GRAVES, College of Forestry, Yale University

L. WENDELL HAYES, Divisional Assistant, Division of International Organization Affairs, Department of State

EDWARD I. KOTOK, Forest Service, Department of Agriculture

EDWARD A. O'NEAL, President, American Farm Bureau Federation

THOMAS PARRAN, Surgeon General, United States Public Health Service

JAMES G. PATTON, President, National Farmers Union

HAZEL K. STIEBELING, Bureau of Human Nutrition and Home Economics, Department of Agriculture

LEROY D. STINEBOWER, Deputy Director, Office of International Trade Policy, Department of State

ANNA LORD STRAUSS, President, National League of Women Voters

CLIFFORD C. TAYLOR, Agricultural Attaché, American Embassy, Ottawa, Canada

LYLE F. WATTS, Forest Service, Department of Agriculture

L. A. WHEELER, Office of Foreign Agricultural Relations, Department of Agriculture

M. L. WILSON, Extension Service, Department of Agriculture

Press-Relations Officer:

HENRY JARRETT, Special Assistant, Bureau of Agricultural Economics, Department of Agriculture

Secretaries of Delegation:

JAMES G. MADDOX, Department of Agriculture
One officer from the Department of State

Foreign Commerce Weekly

The following articles of interest to readers of the BULLETIN appeared in the September 29 issue of *Foreign Commerce Weekly*, a publication of the Department of Commerce, copies of which may be obtained from the Superintendent of Documents, Government Printing Office, for 10 cents each:

"Italian Economy Today", from the American Embassy at Rome.

"An Egyptian Industry", from the American Legation at Cairo.

The following article appeared in the issue for Oct. 6:

"Insecticide Output Grows in U.K. and Eire", by Mulford A. Colebrook, second secretary, consul, and Irven M. Eltreim, third secretary, vice consul, American Embassy, London, and by Charles M. Gerrity, vice consul, American Legation, Dublin.

An American's View of France

BY CAMDEN H. McVEY¹

THERE IS NO SECRET about the fact that our relations with France in recent months have been far from smooth. The question that has troubled us all, French and American alike, is how, in view of our historic friendship, this could have come about. The explanation must be sought in the developments of the past few years.

To understand the France of today we must, in my opinion, accept the premise that she is recovering not only from great physical damage but also from deep emotional wounds. The French Government's decision in 1940 to capitulate rather than suffer a possible massacre of its Army and civilian population, unpopular as it was with the rest of the Allied world, left an even deeper mark on the sensibilities of the French. I do not believe that the American people, individually or collectively, could even approach the depths of shame and humiliation which the French have suffered, and from which, in ways scarcely understandable to us, they are trying to recover. I am inclined to believe that the typical American reaction to a total collapse in the face of an overwhelming enemy would be first disbelief, then hot anger at our leaders and our friends as well as our foes, and ultimately a dogged concentration on a revenge that would be as sure in our own minds as it would be sweet. I doubt that any deep sense of shame would form even a subconscious part of our emotions. Not so with France. Almost every action she has taken in the past four years indicates that France is trying to erase the memory of the first time in her history that she has laid down her arms before it was obviously inevitable. Because France was a great power, this action was, more to her than to anyone else, *lèse majesté*. It did not occur to France, or to the rest of the world, to blame smaller countries for exactly similar actions; but, because

great things were expected of France, France took the disappointment of the world deep into her soul as her personal shame and humiliation. Her behavior, both national and individual, has been plainly conditioned by this psychological depression ever since. Her emphasis on rearmament, for instance, and on taking an active and important role in Allied military operations was a work of supererogation—not demanded of her or any other prostrate nation. But to France it was redemption and salvation, the only road to recovery of an honor viewed as lost.

Heartsick as France may be, this is not her only wound. The French estimate of loss of national wealth, 45 percent, may be pessimistic; but there can be no doubt that she has been so ravaged by war that her economic convalescence will be slow and faltering. Unable and unwilling to build up her productive capacity under German rule, she finds herself far behind those nations whose very contribution to the war carried with it a superhuman effort to increase production. While other nations were growing stronger, France was of necessity growing weaker. Add to this the direct devastation of the years of bombing and the months of fighting on her soil and one can understand that no other nation of her pre-war stature has suffered so great a loss in competitive position. This war-borne economic retrogression is, in my opinion, one reason, in addition to the psychological effects of her capitulation, why France has sought solace in the more spectacular field of military exploits, where she felt her endeavors could be measured in terms of courage and skill rather than of comparative contribution.

France asked for and received well over a billion dollars in lend-lease armaments. Taking this *matériel* into battle, she has suffered nearly 330,000 casualties in killed, missing, and wounded, not counting the million-odd prisoners still not all accounted for. With 140,000 killed and missing and 187,000 wounded, her sacrifices will bear comparison, proportionately, with those of any of her

¹ Mr. McVey is an adviser in the War Areas Economic Division, Office of International Trade Policy, Department of State.

Allies except the Union of Soviet Socialist Republics.

She has sacrificed her civilian economy time and again in an effort to recoup her military prestige, frequently against the strong protests of her Allies—as in the case of her mass mobilizations—rather than play a lesser role in military operations. Her willingness to subordinate her civilian interests to military demands is illustrated further by the fact that France has supplied, from a minimum civilian economy maintained in part by imports for which she will pay largely in cash, around \$500,000,000 worth of reverse lend-lease for our own Army. Her military lend-lease and civilian import accounts with the United States from 1942 to V-J Day would be in round figures about as follows:

Military lend-lease received	\$1, 000, 000, 000
Reverse lend-lease to United States Army	500, 000, 000
Civilian lend-lease received	150, 000, 000
Civilian imports—cash reimbursement	400, 000, 000
Total civilian imports	\$550, 000, 000

North Africa

When we landed in North Africa we cut off continental Europe, the main source of supply for all manufactured products. We had no ready substitute to replace these vital imports. Straight lend-lease of civilian goods to North Africa was rejected on the theory, as later noted in the *modus-vivendi* agreement, that the dollar expenditures of our forces in that theater would obviate the need for civilian lend-lease. It was months before we moved in goods in any substantial quantities, and our shipments (outside of coal from the United Kingdom) never exceeded an average of 40,000 tons a month. There were dire shortages of food, clothing, shoes, and other consumer goods and of industrial materials, automotive equipment, and agricultural machinery. The shelves were bare when we went into North Africa and remained so throughout our stay. Military needs for shipping and the general world shortage of supplies tell part of the story; but there is the additional fact that here, as later in France, we did not count upon any substantial industrial contribution from local sources and consequently had not planned on civilian imports beyond those necessary to maintain a minimum civilian economy essential to mili-

tary operations. Naturally, so negative an approach to the civilian economy, inevitable as it was, could scarcely be expected to evoke any great gratitude on the part of individual civilians; and it is understandable that our economic relations were conducted in an atmosphere of less than complete harmony. The situation was probably aggravated by our insistence, on supply grounds, that the few goods we delivered to North Africa (which the French were paying for in cash) should be distributed under our supervision. I think it is only fair to say, however, that the French Government in North Africa was not geared to deal adequately with the distribution of these supplies itself. Not only was it understaffed, but also, even within the limited staff, there was a great divergence of views, ranging from whole-hearted cooperation with the Allies to downright obstructionism on the part of a few collaborationists.

The net result was a considerable amount of confusion, some friction, and a rather uneven record in the full utilization of North Africa's limited resources in the war effort. Nevertheless, the major services essential to the Tunisian campaign and the preparations for the landings in Sicily, Italy, and metropolitan France were successfully mobilized and made available to the Allied military authorities. Operation of all the major ports was turned over entirely to American and British authorities, who operated them at such a high level of efficiency that they often exceeded by an almost incredible margin the pre-war rated unloading capacity. The railroads, telephone facilities, and power plants, operated by the French themselves, were likewise placed under Allied military priorities, which absorbed from 50 to 70 percent of all traffic. Other major industries were also substantially converted to military use, including (at estimated percentages) the cement plants (90 percent), cable plants (80 percent), and oxygen and welding plants (75 percent). In addition, innumerable small machine shops and almost all garages and warehouses were turned over for Allied military use. Furthermore, in all the major cities most of the hotels and larger stores and many of the big schools were requisitioned for billets and headquarters. In short, almost all the public facilities in the major urban areas were taken over by our military forces and the local population was left to shift for itself in a restricted

economy that scarcely surpassed the bare subsistence level.

Nevertheless, the North African operation must be called a success. As a vital link in our lines of communications, particularly for the Air Transport Command, and as a Mediterranean terminus for our sea lanes, North Africa more than lived up to expectations. Partly as a result of the sacrifices by the civilian population, our military forces were able to achieve a really outstanding record of efficiency in utilizing to the utmost North Africa's limited facilities.

Metropolitan France After D Day

There was one tremendous economic and psychological difference between our landings in North Africa and our landings in France. France, unlike North Africa, had been occupied by enemy troops for many weary years. The people of France had thus been almost universally subjected to the hardships imposed by an army of occupation, with transport and other utilities substantially restricted to military use, and food and shelter subject to enemy requisition. Thus the impact of the Allied landings was less of a shock to France than it had been to North Africa. Furthermore, unlike the situation in North Africa, the landings in France opened the last phase of the war, and early deliverance from a hated and omnipresent enemy was a reasonable hope. Had it not been, therefore, for the terrible destruction caused by the fighting, and the displacement of expected civilian imports by the necessities of war, there would probably have been few major disappointments in our economic relations with France after D Day. The French understandingly and willingly went cold and hungry in the winter of 1944-45 in order that the war might be pressed quickly to a successful conclusion. They arranged without hesitation to provide the necessary port facilities, coal, transportation, public utilities, warehousing, quarters, and other immediate services which were available. They also undertook substantial programs for the production of supplies for our troops—including tires, cotton duck, uniforms, gasoline “jerri-cans,” and assault boats for the Rhine crossing. Generally speaking, the services the French placed at our disposal for military purposes were limited only by physical ability.

Conversely, our engineers achieved outstanding performances in restoring damaged port, rail, and

communication facilities. The fact that these services were largely for military purposes, even though it be borne in mind that they were necessarily only a partial restoration in the face of tremendous and wide-spread devastation, does not detract from the fact that they were of substantial economic benefit to the French.

In general it can be said that on the one hand the French did what they could to devote their civilian economy to the war, and our military forces for their part did their utmost to restore damaged facilities for the combined use of the military and the civilian population. The chief difficulty from the beginning lay in shipping, which was totally inadequate to carry on both the European and the Pacific wars and still leave enough to provide for the liberated populations of western Europe. Port facilities and inland transport, badly damaged in the course of the invasions, were another major handicap. Despite our hopes for the prompt provisioning of liberated areas, the military found it possible to deliver to France during the entire year from D Day to May 31, 1945 only about 400,000 tons of food, clothing, medical supplies, and other civilian consumers' goods. Coal and petroleum accounted for another million tons of military imports for civilian use, but conversely the military consumed over a million tons of coal above what they could import. Any imports, of course, were of some help to the French economy; but the military authorities were unable to bring in more than a mere trickle of civilian goods through 1944, and they averaged only about 35,000 tons a month over the entire period of military supply—less than even North Africa had received and a minute fraction of what France normally imported before the war.

These military imports of civilian goods were, however, supplemented in 1945 by an increasing amount of purely civilian shipments. Ranging from 5 ships in January to 40 in June, an average of 20 ships a month was achieved for the 6 months—equivalent to approximately 150,000 tons a month, or nearly 1,000,000 tons for the first half year. Most of this tonnage, worth about \$150,000,000, went out under lend-lease.

Civilian imports into France were fast improving when the end of the Japanese war and the termination of lend-lease raised the difficult problem of financing additional shipments. The lend-lease program, based on the war's lasting well into 1946,

called for imports worth approximately \$2,500,000,000. At the termination of lend-lease about \$150,000,000 worth of civilian goods had been shipped (and was thus straight lend-lease goods), and more than \$250,000,000 had been contracted for and could thus go under the long-term credit of the 3 (c) clause of the lend-lease agreements. Of the balance, about \$450,000,000, although in requisition form, was not eligible for existing credit under the lend-lease agreement, and about \$1,700,000,000 (which was already being scaled down to a 1945 delivery program), had not even been requisitioned. The French were thus faced with the problem of arranging emergency financing to maintain the flow of vitally needed goods.

Our Future Relations With France

The present financial position of France is not an uncommon one in business experience. Even the soundest of companies may lose most of its physical plant in a fire or other catastrophe and suddenly find itself in the position of having to meet its payroll, rebuild its plant, and set aside some working capital all at the same time. Even though the company has been foresighted enough to accumulate a small surplus, the available funds may not be sufficient for all these emergency needs. The company therefore seeks a loan to tide it over the crisis. If someone with capital has confidence in the company's ability to recover its earning power, it will get the loan.

There can be no doubt that the gold and foreign-exchange position of France has suffered less as a result of the war than has that of Great Britain, for instance. On the other hand, France entered the war with a comparatively weak economic position and has ended it with an even weaker one. It is difficult to estimate the loss of wealth suffered by France in the war, and it would be even more difficult to find an equitable basis on which to compare her loss with that of other nations. It is certain, however, that her present economic position is extremely weak, that she is badly in need of substantial dollar imports, and that, although she can spend some of her gold and foreign exchange, she cannot hope to make a start at national recovery without some help.

The tremendous economic importance of France to us and to the stability of the world's economy cannot be measured by the mere value of her pre-war imports and exports. Metropolitan France

imported from us only about \$150,000,000 worth of goods a year before the war and exported about \$50,000,000. The trade of other French territories was on an even smaller scale, North Africa, for example, importing in pre-war years about \$8,000,000 worth and exporting around \$6,000,000.

Due to the enormous demands of France for rehabilitation of her industry, however, our exports over the next few years will undoubtedly exceed by many times the pre-war level. Since any loans granted by our Government will be used to pay American firms for these exports, these loans will obviously be helpful in providing an outlet for the high productive capacity built up in the United States during the war. This Government financing of our exports cannot, however, go on indefinitely. It is essentially an emergency measure based on the assumption that the ultimate earning power of France will be restored to a point where she can not only repay the loan but also pay for the lesser but still substantial scale of imports which she will need after her emergency rehabilitation needs have been met. France is just as interested as we that any loan negotiated should be well within her ultimate ability to repay.

How long it will take France to reach and surpass her pre-war productive capacity depends on so many complex factors that it is idle to guess. Given prosperity here, however, there would seem to be no limit to our capacity to absorb luxury goods, which are France's export specialty. It is certainly safe to predict that, if the proposed international economic programs are successfully launched, France, along with other nations, will be able to increase her exports very substantially over pre-war quantities. Moreover, the return of her normal tourist trade, possibly greatly increased through post-war travel, would provide an important dollar income. If France can adjust her economy to the demands of modern competition, her financial future need not be dark.

In her efforts to regain economic health, one of the important questions which France must decide is whether she should endeavor to maintain a large army. It takes no exhaustive study to understand why France, invaded time and again across her eastern border and supported by her Allies invariably too late to protect her from invasion, has good historical reasons for feeling that she needs an unusually big army. This feeling is no doubt enhanced by the obvious desire of the

United States to maintain minimum occupation forces in Germany no longer than necessary. On the other hand, the French press has recently brought to light a substantial difference of opinion on whether, in view of her present position *vis-à-vis* the vast military strength of some of her sister nations, France would be well advised to sacrifice further her civilian economy in order to build up a great army.

Essentially, the leadership that France can still best provide is political, scientific, and cultural. Our own close ties with France have always been based on these intellectual attributes rather than on her military or economic strength. Ideologically, the democracy of France has been especially close to ours in both form and substance. Scientifically, she has given the world new concepts which, frequently carried to practical success in our own laboratories, have revolutionized our way of living. Culturally, she enjoys in the aggregate of her music, art, philosophy, and literature perhaps a more loved and respected position than that of any other nation.

These are the things for which France stands, today as always, and these are the things on which she may again concentrate her efforts, for her benefit and the benefit of the world. A sound economy for France, in which these qualities can flourish, deserves our hopes and our thoughtful support.

Consideration of Emergency Controls on Coffee

[Released to the press October 11]

On October 1, in a letter from Acting Secretary of State Dean Acheson to Eurico Penteado, Chairman of the Pan-American Coffee Bureau, the State Department indicated the channels through which questions of international concern relating to coffee would be considered by this Government.

A number of communications urging elimination, suspension, or modification of the coffee price ceilings now in effect have recently been addressed to the President, the Secretary of State, the Price Administrator, the Secretaries of Agriculture and Commerce, and the Director of War Mobilization and Reconversion from the Fourth

Pan-American Coffee Conference recently held in Mexico City.

Replying, in behalf of the other government authorities as well, Mr. Acheson made it quite clear that the State Department felt it proper that the question of ceiling prices, like other international matters concerning coffee, should be considered by the United States Government through the Inter-American Coffee Board or directly with the countries signatory to the Inter-American Coffee Agreement. The text of Mr. Acheson's letter follows:

MY DEAR MR. PENTEADO:

This is in reply to the telegrams dated September 11 received from the Chairman of the Fourth Pan American Coffee Conference and submitting for consideration to the Office of Price Administration, this Department and various other agencies of the United States Government a resolution regarding emergency controls on coffee adopted by the delegates to the Fourth Pan American Coffee Conference recently held in Mexico City under the auspices of the Pan American Coffee Bureau. The telegram of September 13 on the same subject addressed to the President by the Chairman of the Conference has been referred to the Department of State for reply and is also hereby acknowledged.

As you know, the Inter-American Coffee Board was duly constituted by inter-governmental action to centralize consideration of coffee matters of interest to the countries signatory to the Inter-American Coffee Agreement. On this Board, the Governments of the producing countries and the United States have representation. This Department feels it is proper for the United States Government to consider matters relating to emergency controls on coffee through the good offices of the Inter-American Coffee Board and, if necessary, directly with the governments signatory to the Agreement. You are assured that through these channels the coffee situation will continue to be explored with the greatest possible sympathy and attention.

I understand that the Board has asked its United States member to discuss the coffee situation with this Department.

Sincerely yours,

DEAN ACHESON
Acting Secretary

St. Lawrence Seaway and Power Project

MESSAGE FROM THE PRESIDENT TO THE CONGRESS¹

[Released to the press by the White House October 3]

To the Congress of the United States:

As a part of our program of international cooperation, expanding foreign trade, and domestic progress in commerce and industry, I recommend the speedy approval by the Congress of the agreement of March 19, 1941 between the United States and Canada for the development of the Great Lakes - St. Lawrence Basin. When approved, the two countries will be able to harness for the public benefit one of the greatest natural resources of North America, opening the Great Lakes to ocean navigation and creating 2,200,000 horsepower of hydroelectric capacity to be divided equally between the people of the United States and Canada.

The development, utilization, and conservation of our natural resources are among those fields of endeavor where the Government's responsibility has been well recognized for many generations.

During the war we were forced to suspend many of the projects designed to harness the waters of our great rivers for the promotion of commerce and industry and for the production of cheap electric power. We must now resume these projects and embark upon others.

The Congress and the people of our country can take just pride and satisfaction in the foresight they showed by developing the Tennessee and Columbia Rivers and the rivers in the Central Valley of California. Without the power from these rivers the goal of 50,000 airplanes a year—considered fantastic only five short years ago, but actually surpassed twice over—would have been impossible. Nor could we have developed the atomic bomb as early as we did without the large blocks of power we used from the Tennessee and Columbia Rivers.

The timely development of these rivers shortened the war by many years and saved countless American lives. We must ever be grateful for the vision of the late President Franklin D. Roosevelt and the wisdom of the Congress in urging and approving the harnessing of these priceless natural resources.

One of the great constructive projects of the North American continent, in fact, one of the great projects of the world, which was delayed by the exigencies of war, is the St. Lawrence Seaway and Power Project.

For 50 years the United States and Canada under both Republican and Democratic administrations, under Liberal and Conservative governments, have envisioned the development of the project together, as a joint enterprise.

Upon the expectation that we would join with them in completing this great engineering project, Canada has already built more than half its share of the undertaking.

We, however, still have our major contribution to make.

Every engineering investigation during the past 50 years, every economic study in the past 25 years has found the project feasible and economically desirable. The case has been proved; the plans are ready.

The St. Lawrence Seaway will make it possible to utilize our war-expanded factories and shipping facilities in the development of international economic cooperation and enlarging world commerce. New and increasing opportunities for production and employment by private enterprise can be expected from this cheap water transportation.

It is the kind of useful construction which will furnish lucrative employment to many thousands of our people.

The completion of the Seaway will bring many benefits to our great neighbor and Ally on the north. The experience of two wars and of many years of peace has shown beyond question that the prosperity and defense of Canada and of the United States are closely linked together.

By development of our natural water-power resources, we can look forward with certainty to greater use of electricity in the home, in the fac-

¹ Read before the Senate and the House of Representatives on Oct. 3, 1945.

tory, and on the farm. The national average annual consumption of electricity by domestic consumers has almost doubled in the past 10 years. Even with that increase, the national average is only 65 percent as high as in the Tennessee Valley, where electric rates are lower. Increase in the consumption of electricity will mean more comforts on the farms and in city homes. It will mean more jobs, more income, and a higher standard of living. We are only on the threshold of an era of electrified homes and mechanical aids to better living. We can encourage this trend by using the bounty of nature in the water power of our rivers.

If we develop the water power of the St. Lawrence River, the United States share of that power will be available for distribution within a radius of 300 miles. This will include most of New York State and its neighbor States to the east. Public and private agencies will be able to pass on to the consumers in that area all the advantages of this cheap power.

Under the leadership of Governor and later President Roosevelt, the State of New York created the framework of a state power program. I have always been, and still am, in favor of that program.

Under it, the power facilities are to be constructed by the Federal Government and turned

over by it to the State of New York. The terms of allocation of costs to the State of New York have been agreed upon in a memorandum of agreement dated February 7, 1933, recommended for execution by the United States Army Corps of Engineers and the Power Authority of the State of New York. This basis of allocation is fair and acceptable.

It has always been understood by the responsible proponents of this development that the water-power project should become the property of the State of New York, and that the electric power should be developed and handled by the State. That should continue to be the policy, and I recommend that it be so declared by the Congress.

Any agreement with the State of New York to this end must protect the interests of the United States as well as the interests of neighboring states, and will, of course, have to be submitted for approval by the Congress before it can become effective.

I urge upon the Congress speedy enactment of legislation to accomplish these objectives so that work may start on this great undertaking at the earliest possible time.

HARRY S. TRUMAN

THE WHITE HOUSE
October 3, 1945

STATEMENT BY ACTING SECRETARY ACHESON

[Released to the press October 4]

The Department of State welcomes the introduction of legislation to approve the agreement with Canada covering the St. Lawrence Seaway and Power Project. The Department is now, and always has been, strongly in favor of the approval of this agreement. While the project will be of great immediate benefit to the Great Lakes - St. Lawrence area, we are convinced that it will bring long-range benefits to the country as a whole.

The St. Lawrence Seaway will give the great and productive midlands of this continent direct access to the seaports of the world. The rapids of the St. Lawrence have always constituted a natural barrier to our foreign trade. At a time when we are making every effort to clear the channels of world commerce as a step toward world peace, we should remove this natural barrier. So also

we should take advantage of this great natural resource by harnessing the International Rapids of the St. Lawrence River for power purposes.

For well over a century the United States and Canada have worked together in peace and partnership. One of the few pending matters between the two countries is the approval of the 1941 agreement with Canada providing for the construction of the St. Lawrence Seaway and Power Project. Canada has already expended substantial sums in constructing works related to this project. The approval of the agreement and the completion of the project will strengthen our traditionally friendly ties with Canada. It will considerably broaden the basis for mutually profitable trade between ourselves and our good neighbor.

Displaced Populations in Japan at the End of the War

BY JANE PERRY CLARK CAREY¹

EVEN BEFORE THE FINAL ENTRY of the American forces into Japan, word was sent to General MacArthur by the Japanese Government that Koreans anxious to get back to Korea from Japan were pouring in great numbers into Shimonoseki, located on the island of Honshu, and its vicinity, only 120 miles across from Korea, while Fusan in Korea was crowded with home-bound Japanese, including women and children. Both places were "faced by scarcity of food and difficulty in the maintenance of law and order." In these circumstances, the Japanese Government requested permission to operate two unarmed vessels as ferries between Fusan and Hakata. General MacArthur granted the request immediately.

This was the first time any word of displaced persons had come through officially during the years of war with Japan. During the war through various means—chiefly through broadcasts²—knowledge had seeped through about the displaced in both Japan and the Japanese Empire.³

The total number of uprooted and displaced people in Japan today, including all nationalities, probably runs over 12 million. Included in this number are probably some 2 million Korean laborers and their families, an unknown number of Chinese workers, some 38 thousand Formosan-Chinese laborers, and perhaps many displaced Japanese nationals returning from Formosa, China, Manchuria, and the Japanese Mandated Islands before the end of the war.

In Germany one of the most important categories of displaced population was that of forced labor. By contrast, Japan, for all its manpower shortage, never imported quite such large armies of men, largely because of bottlenecks in transportation and food production. Japan repeatedly announced the decentralization of its industry and

the removal of factories to Manchuria, although some were sent to China where manpower and materials were used at their sources. Reports came through in the spring of 1945 that a number of Japanese were being sent outside the country from their homes in bombed Japanese areas, going particularly to Manchuria, to be used in food and industrial production. The number of these was not great, due largely to lack of transportation facilities.

The Koreans form the largest group among the foreign displaced in Japan. Higher living standards in Japan than Korea have always brought about some regular immigration of Koreans into Japan, but Japanese manpower needs in the war caused greatly increased immigration of Korean labor and simultaneously curtailed the return of Korean laborers from Japan to Korea. Opportunities for employment overcame the traditional dislike of the Koreans for the Japanese and made many cross the straits by small boat to enter Japan surreptitiously. As the war progressed the ever-growing need for labor in Japan prompted the importation of Koreans by force, and they have been imported at the rate of about 10,000 a month. By September 1944 a Japanese broadcast stated there were one million several hundred thousand Koreans in Japan, but only three months later another broadcast gave the number as three million.

A statement of the Welfare Ministry to the Diet on September 5, 1945, indicated that the

¹ Mrs. Carey is Assistant Adviser on Displaced Populations in the Office of the Assistant Secretary for Economic Affairs, Department of State.

² The Daily Reports of the Foreign Broadcast Intelligence Service, Federal Communications Commission, have been source material for quotations from and references to radio broadcasts.

³ The present article discusses only the displaced in Japan proper, not the Empire.

number of workers imported en masse from Korea was 323,890. This number presumably refers to forced laborers taken in large groups to factories and mines during the course of the war and does not include the large numbers of Koreans who entered Japan before the war or those coming individually or in small groups. A Domei broadcast the same day gave the total number of Koreans in Japan as 2,400,000, and the next day gave the number as 2,100,000 and stated that over 300,000 of these had been drafted into war industries. The same broadcast told of the fact that Korean laborers desiring repatriation to Korea would be given priority on the ferries for the return trip to Korea but that, owing to the scarcity of transportation, only 30,000 persons would be transported each month. Actually, 4,000 persons were reportedly sent daily during the first week of operation. By September 13 four more ships were added to the run, primarily because of the rush of Japanese women and children back to Japan from Korea and Manchuria.

The Koreans in Japan have been primarily laborers, chiefly in the mines; thus the war has increased the number of miners greatly. In July 1942 German sources said that 18.4 percent of all laborers in the mines were Koreans, but two years later a Japanese broadcast indicated that 200,000 or 30 percent of all coal miners were Koreans. By 1945, according to Chinese sources, Korean men under 20 and over 30 were being sent as forced laborers to mines and factories in Japan. The mines were reported to have been surrounded by barb-wire entanglements and machine guns mounted on all entrances to prevent an uprising or flight from work. In 1944 more than 10,000 Koreans were reported to have been sent as forced agricultural laborers to Japanese rural villages. Gradually some of the Koreans in Japan have been trained in semi-skilled work in factories, particularly in the machine, chemical, and fiber industries.

Many of the Korean laborers went to Japan on one- or two-year contracts but manpower shortages caused the Japanese Government to try to keep the Koreans in Japan by extension of contracts. Despite the fact that the Koreans were not well treated in the past and occupied virtually the lowest economic status of the whole population, recently efforts have been made to mollify this group. The Peoples' Labor Conscription Ordinance of February 8, 1944 conscripted Koreans

and allowed them to take their families with them to Japan. By the latter part of 1944 Japan promised complete non-discrimination for the Koreans in education and work, just as the Germans in the latter part of the war attempted to pacify the forced laborers from Poland and the Union of Soviet Socialist Republics by promising removal of discrimination. Just as the Germans gave medals and other tokens of recognition to their forced laborers, so the Japanese began to offer gold medals and allowances to Korean workers.

The Koreans are scattered throughout Japan, but they have been concentrated in the cities, particularly Osaka, Kyoto, Fukuoka, and Tokyo. The more recently transplanted workers were sent to the same cities, and to Hiroshima, Hokuriku, and Tohoku areas, and in general were distributed throughout the Shikoku and Kyushu Islands and Hokkaido.

There have been separate Korean districts in Japanese cities—usually the poorest sections of the cities. There has been almost no intermarriage or assimilation with the Japanese, and few Koreans speak Japanese.

Despite the propaganda attempts of the Japanese, the Formosan-Chinese, like the Koreans, were anti-Japanese in feeling and sentiment. There were only some 10,000 Formosan-Chinese in Japan in 1940, and four years later perhaps as many as 40,000 were taken north from Formosa to work in Japanese war industries and mines. Many of these may be regarded as forced laborers.

Even before the Meiji restoration and the official opening of Japan to foreign commerce, Chinese had been allowed to enter Japan from China. By 1930 there were possibly some 27,000 Chinese in Japan, including merchants and students but primarily laborers. Hostilities between China and Japan meant the return to China of many Chinese who had formerly lived in Japan, so that by 1942, according to Chinese sources, there were only some 15,000 left in Japan.

On April 4, 1942 the *Deutsche Bergwerks Zeitung* reported that Chinese workers were being sent for employment in Japanese war industry and that these workers were also being transferred from Shanghai to industrial areas of North China. Another report in 1943 indicated that more than 100,000 Chinese had been impressed by the Japanese for use on farms to work in groups of two or three and that some of these had gone to Japan

although Japanese sources the following year indicated that there were 225,000 Chinese laborers in Japan. In March of that year it was reported that 10,000 able-bodied young Chinese were being gathered in Lienyun Harbor in Kiangsu Province ready to be sent to Japan as laborers.

A Japanese broadcast announced in February 1944 that the "experiment" conducted in 1943 with Chinese laborers had had "satisfactory results" so plans were announced at that time to import "a large number" in the future.

The number of Chinese in Japan at the time of surrender was a riddle, but it is probable that 100,000 is an exaggeration since manpower needs of the Japanese in China and Manchuria were so great and transportation so difficult that perhaps only a part of this number, including both laborers in war industries and students, were actually in Japan.

The Domei broadcast of September 5 said that 34,000 Chinese had been imported en masse from China. Presumably these were forced laborers like the Koreans and were the numbers imported for war industries.

Aside from the large numbers of Koreans and Formosan-Chinese and the Chinese, few foreign groups were left in Japan at the time the great bombings began. There were 2,459 persons from Manchuria, either workers or students, who were part of the large number of students sent to Japan from "Greater East Asia" for indoctrination in Japanese ways and thinking.

By September 1944 a question had arisen in the Diet regarding what to do with foreign students in Japan because the schools were closed due to the year-round mobilization of students. A report in March 1945 stated that, within the next month, measures would be taken to accommodate all "overseas students who have been idle during the past year owing to the temporary closing down of some of the higher institutions of learning to allow Japanese students to serve in factories and farms." It was also reported that several colleges and universities would remain open for the G. E. A. students, numbering several hundred, of which the largest number were Chinese from Manchuria. Students from the southern countries, almost all of whom attended Kokusai Gakuyu Kai, were to enter universities in the southern part of Japan, ostensibly because of the warmer climate, while those from Manchu-

ria and China "being accustomed to cold winters" were to study in the central or northern districts.

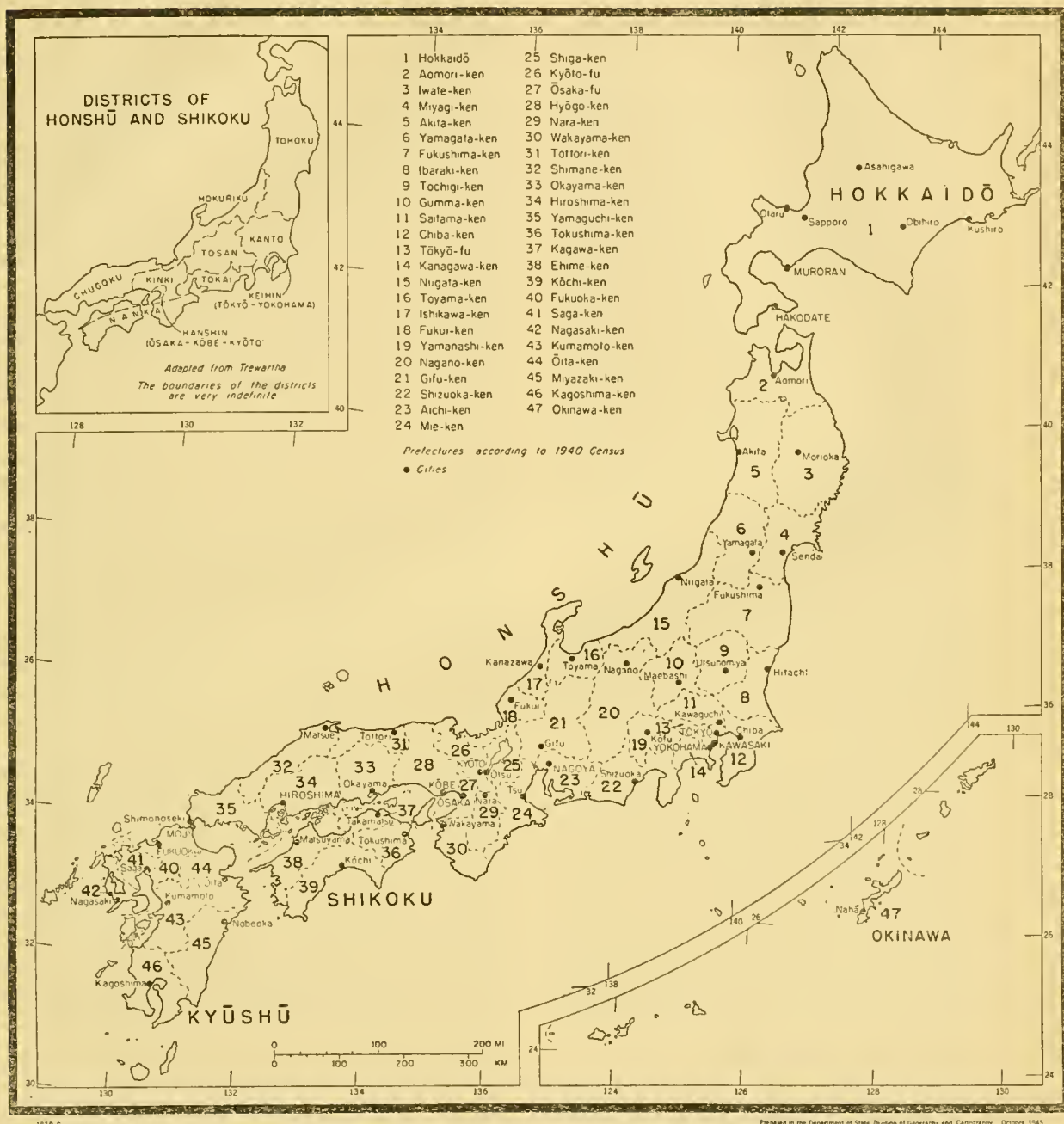
There have been some 975 Indians in Japan, including both students and revolutionaries. Japan had long been a seat of anti-British Indian activity. There have been some 1,300 of the great group of White Russians found in every country after the Russian Revolution. A few neutrals, largely diplomatic or businessmen, included about 250 Swiss and Portuguese each and somewhat more than 100 Spaniards. The small German colony had been increased in 1941 by the evacuation to Japan of German women and children from the Netherlands East Indies and was probably still further increased by later evacuation of Germans from the Philippines which may bring the number of Germans to 2,000.

As of the spring of 1945, some 30,000 to 40,000 prisoners of war and 500 to 600 civilian internees were located in Japan itself, including 7,000 American prisoners of war, 5,000 Netherlands, 5,000 to 8,000 Australians, 1,000 Canadians from Hong Kong, and 14,000 British. The American and British civilians were generally held in camps or prisons, though some were allowed to go free or were interned at home. The civilians included approximately 200 American technicians from Guam.

Increased bombing of Japan, with its small area and heavy industrial concentration, led to vast internal displacement of the Japanese population. Internal displacement occurs when persons flee as war fugitives or when people have been moved within their own countries because of evacuation from bombed areas or zones of military operations or because of movement of war industries with a consequent need of manpower in the new location.

In Japan the shortage of food also led to relocation of bombed-out persons in accordance with their possible usefulness in food production. In Germany more than 20 million people were reported to have been made homeless or forced into temporary shelters away from home by the steady pressure of bombing, and in Japan probably half that number were displaced within a smaller area. According to a Tokyo broadcast of August 23, 1945 some 9,200,000 persons in Japan were left homeless or were made war fugitives by Allied air blows on the Japanese home islands. Two hundred sixty thousand had been killed

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and 412,000 injured. These figures include 90,000 killed and 180,000 wounded by the two atomic bombs.

The chief island to be affected was Honshu, with the Prefectures of Akita and Yamagata in the far north, Ishikawa, Tottori, and Shimane on the coast of the Sea of Japan, and Kyoto, Nara, Shiga, and Nagano in middle Honshu. The northern

island of Hokkaido received little bombing except for the ports of Hakodate and Muroran.

An industrial decentralization program had been under way in Japan since 1938. Under an order of October 16, 1939 the Ministry of War was given authority to determine the number and location of new factories and could refuse to permit further construction in what were then deemed

potential target areas. Even by May 1945 Domei declared that factory decentralization comprised the largest part of the depopulation of cities.

During all of the period of heavy bombing before the end of the war, plans for evacuation and dispersal of the population poured over the Japanese radio in such a steady stream that it became impossible to tell what was plan and what was accomplishment. The evacuation movement actually got under way slowly, because the family system of Japan necessarily caused resistance to the breaking up of family units and the uprooting of long-established homes. On the other hand, the fact that many Japanese city-dwellers had relatives in the country meant that ready means of absorption of the displaced was at hand. In all plans for evacuation persons displaced from the cities were to go to their relatives in the country if possible and only if there were no relatives in rural areas were groups to be evacuated and kept together. On March 15, 1945 a Domei report stated that the Government at one time considered the possibility of a compulsory allocation of refugee areas and housing for evacuees from air raids but, because some of the victims "went to stay with relatives and some with friends", the result was that "the majority of them have been relocated as if they had been swallowed up in the great current of friendly spirit and the traditional family system." Therefore, the broadcast continued, there was practically no necessity for a compulsory allocation of dwellings.

A further aspect of Japanese life affected the plans for dispersal. The light construction of many houses meant that frequently houses if not factories were moved along with the people. Nevertheless housing shortages were serious throughout the country. The Tokyo broadcast of August 23, 1945, in telling of the 9,200,000 persons left homeless as a result of bombing, also indicated that 2,210,000 homes in Japan were demolished or burned and 90,000 others damaged.

From the summer of 1944 on, strenuous attempts were made to persuade parents to allow children from the third to tenth grades to be removed from cities where particular bombing danger existed and be sent to relatives in the country if possible. If no such relatives could be found, school groups were to be sent together. These latter were to be housed in large private homes, hotels, and old temples. The teachers were to go too, to live with the children and carry on their

teaching. The Japanese family system, together with transportation problems, caused particular difficulties with children slated for group evacuation. Nevertheless, the bombing situation finally became so serious and so many children were sent away from Tokyo that, when the Americans entered the city in August, they noticed the almost complete dearth of children.

All schools in the country were finally closed entirely in the fall of 1944, and all available children old enough to be of any possible use were put to work in agricultural and industrial production. After the end of the war, the Japanese Education Ministry ordered the reopening of all schools and colleges by September 15, 1945. This order, according to Domei, "will return to school nearly 10,000,000 Japanese boys and girls mobilized for war service", though later Japanese figures indicated that there were 1,927,370 mobilized students including those engaged in agriculture and forestry. The discrepancy is possibly due to the inclusion in the first large figure of part-time students and very young children.

In Germany children under 12, nursing mothers, women over 60, some men over 65 years of age, and those unfit for military service were moved from the danger zone east of the Oder River in the face of the Soviet advance; in Japan not only children but also expectant mothers and old people were part of the plan for those first to be sent away from Japanese cities in danger of bombing. During the fall and winter of 1944-45 attempts were made to get the movement started, but up to mid-March of 1945 evacuation of pregnant women, of women with small children, and of the elderly proceeded very slowly. The incendiary bombings of that period tightened the resolve of the Cabinet to go full steam ahead with its plans and to insist that only persons essential to the war were to remain in such cities as were apt to be heavily bombed. Persons essential to the war included persons connected with the production of munitions and food, doctors, employees of public utilities and banks. Even the wives and children of these men were to be evacuated. Tokyo mothers with small children were to be sent to Niigata Prefecture if they had no country relatives to care for them. Each group of 50 expectant mothers was to have midwives, baby specialists, dietitians, and washerwomen assigned to it. The homes of what were called "evacuation widowers"

the families had been sent to the country were looked after by the Neighborhood Association.

As early as February 1944 plans were under way for wide-spread evacuation of the population from certain areas especially apt to be bombed—Tokyo, Yokohama, O-saka, Kobe, Nagoya, and Kyoto—but the fall of that year arrived before much evacuation actually took place, and it was not before May 5, 1945 that evacuation actually began to be effective. It was decided that by June 1, 1945, people from the Tokyo-Yokohama (Keihin) area were to be sent to Hokkaido, Tohoku, Kanto, and Shinetsu; persons from the O-saka-Kobe area were to be sent to the Kinki-Chugoku and Tokai-Hokuriku areas especially for farm work. Those unable to do heavy farm labor, especially women, were to be put in charge of cooking, child care, and serving.

Tokyo had special plans for evacuation. From March 1944 plans were under way to evacuate at least 2 million Tokyo residents, first to outlying districts and especially to farming villages where they could work at the mounting problem of food raising. By fall a Diet interpellation indicated that over a million persons had left the city out of a population of 6,500,000, and by March of 1945 further Diet statements gave the population of the city as less than 4 million though it is doubtful whether it was possible to have arranged for the removal of so many by that time. Nevertheless it was reported that so many people had left Tokyo by the early part of January 1945 that rooms and houses were reportedly being offered rent free. Some house owners had offered a monthly stipend to any person who would live on their property.

After the end of the war, Domei reported that on May 31, after the largest-scale air raid on Tokyo, there were 2,400,000 people left in the city. Of these about 10 percent, or 204,000, were reported to live in provisional shacks in devastated areas. Although approximately 60 percent of the pre-war Tokyo population had left the city, houses were said to have decreased by more than 70 percent. From January on, the Government had decided that vacant houses were to be occupied by those whose houses had been demolished by air raids. Houses that might prove difficult to care for were to be dismantled and moved. Yamagata Prefecture, in the mountains north of Tokyo, was overrun by an influx of refugees from Tokyo. The

situation became so serious that prefectural government authorities had to make the arrangements for renting houses.

The Tokyo municipality arranged to aid air-raid victims who had no place to go by providing living accommodations and employment in the Prefectures of Akita, Yamagata, and Fukushima. For a period after air raids transportation was provided free.

By the spring of 1945 fear of bombing and of possible invasion had become so great that people began to flee from their homes in a haphazard and unplanned way, and, according to a Domei broadcast of May 7, 1945, even people in small towns had caught the evacuation scare. It was stated in the Diet that Yokohama had had "gratifying results" in checking the flight of people who were in essential occupations and so required to remain at home. By June it was announced over the radio that persons would not be evacuated from the coasts or from medium- and small-sized communities except under certain circumstances and must stay where they were, doubtless because there was nowhere to go.

Before the end of the war, word percolated through that people evacuated from Okinawa in the face of the American invasion were in various places on the I-land of Kyushu raising food crops while, by July 1945, 200 Okinawa boys were reported to be working in Tokyo airplane factories.

An emergency housing measure provided for the construction of living quarters in medium- and small-sized cities throughout the country to be rented to air-raid victims. The first work was to provide housing for those who had to remain in the six cities of Tokyo, Kawasaki, Yokohama, Nagoya, O-saka, and Kobe, but who had lost their homes by bombing. In Tokyo the first batch of housing areas to be built was to be put up along government-operated railway lines. The construction of wartime housing areas for those evacuated from war-ravaged localities, together with allotment of land for home gardens and jointly managed gardens, was to be carried out in Keihin, Hanshin, Nagoya, and northern Kyushu.

Government policy in the war was to use as much evacuee manpower as possible in increased food production. Even before the war, the Japanese Government had attempted to promote a back-to-the-farm movement because of the increasing concentration of population in the cities, but the war



with its attendant shortages of farm manpower and of foodstuffs caused stronger pressure to be exerted on city dwellers to persuade them to go to work on farms in the country. By the spring of 1945 all possible pressure was being used. At the end of March the cabinet passed a strong return-to-the-farm measure, and by summer Japanese broadcasts stated that some 100,000 families out of a proposed 400,000 had been sent to the country for farm work under this scheme, though the number may have been exaggerated. Separate preliminary arrangements were made in each prefecture for the reception of the people. Evacuees sent to the country were to be provided with farm plots by each of the agricultural communities to which they were sent if they did not already own property there.

According to a plan drawn up by the Agriculture, Commerce, and Home Ministries and announced June 7, 1945, city evacuees and air-raid victims were to be sent to the northern island of Hokkaido en masse for agricultural work. As an initial measure approximately 50,000 families, or 200,000 evacuees, were to be sent there in the summer of 1945. Lodging in the Hokkaido colonial training centers, schools, temples, and homes of others was to be provided, all expenses paid, and when simple living quarters were built rent was to be free. Temporarily crops raised on the one *chobu* (2.45 acres) of land were to be kept and used by the family. Food was provided at the beginning, if necessary, plus an allowance if need was great.

Applications were opened on June 15-July 15 for the 50,000 families planned for Hokkaido. The first contingent of 1,100 members, called the Northern Area Development Farmer-Soldier Corps, left Tokyo by special train on July 6, and a second contingent of 274 families, consisting of 1,031 members, left soon afterwards and arrived in Hakodate three days later.

Immediately after the end of the war, Domei announced that the Japanese Home Ministry would continue its policy of evacuating the residents of the big cities and, at the same time, of preventing the return home of city inhabitants who had been evacuated to the country. The continuation of this plan was doubtless due to continued shortage of foodstuffs and the need for continued emphasis on their production together with the shortage of housing in the cities.

Beginning September 10 anyone wanting to leave the city to return to his native place in the country was to be allowed to go without restriction, but anyone wanting to return to the city was to be prohibited "for sometime to come", according to the Chief of the National Public Works Bureau of the Ministry of Home Affairs. He also stated that eventually 10 million people will probably return to the six big cities, but they will be allowed to return only gradually and under a planned arrangement for population distribution.

A Deliberative Council was set up in every prefecture to receive evacuees. Headed by the governor and composed of men connected with transportation, food supply, housing, and electrical distribution, the council was to decide on just what was to be done with resettling and rehabilitating evacuees.

In the death-throes of German dissolution, a *Volkssturm* was established to mobilize old and young in a last desperate attempt to stand against the flood-tide of Allied invasion. So in its last-ditch stand and fear of imminent Allied invasion Japan established a volunteer combat organization within the general framework of the previously existing Civilian Volunteer Corps. All males from 15-60 and women of 17-40 except those considered "the nucleus of the home" were to be recruited under penalty of fine and imprisonment for combat service if military necessity dictated. The new corps was to have military status and to be under the direct command of the Emperor, and the command of each unit was to be an honored position based on Imperial authority. The basic principle on which the corps was to operate was that "the Imperial land, the resting place of gods, the native home, and working place of the people" must be defended at all costs. The principal duty of the members was to participate in combat and support military activities in production, transportation, et cetera. Each factory, government office, and group of students was to have its own group of from 10-30 members and to work together in one locality.

The principal duty of the members was to be ready to participate in combat in case of invasion. On the other hand, there had been no training or equipment for civilians to be used as fighters, so it appears that the corps was really planned to be used as a means of developing labor mobilization and production rather than as a Japanese brand of

the German *Volkssturm*. Its duties as first outlined consisted of those bearing on military operations but not directly connected with them, such as transportation and commissary work. Other members of the corps were to be assigned to factory and farm work under military discipline.

The first such corps to be formed was a Railway Civilian Combat Corps, doubtless because of the bottleneck in transportation and the need for military discipline among the railway workers.

On the evening of September 3, 1945 some 2,700 Japanese who had been living in Korea, Manchuria, and China reached the port of Hakata in northern Kyushu. This group was but a tiny fraction of the 4 million Japanese living outside Japan, many of whom will want to, or be forced to return to Japan. The problems of resettlement of this group, variously estimated at 1,500,000-3,000,000, in a Japan devastated by bombs and short of food, will prove one of the most important of the difficulties facing the occupying authorities in Japan, as well as in the long-range economic and social rehabilitation of the country.

Discussions With Mexico on Air-Transport Agreement

[Released to the press October 2]

Discussions regarding a bilateral air-transport agreement between the United States and Mexico will take place in Washington during the next few days, the Department of State announced on October 2. The proposed agreement will govern the operation of commercial air services between the two countries.

The negotiations on behalf of Mexico will be carried on by Rafael de la Colina, Chargé d'Affaires of the Mexican Embassy in Washington; Gen. Alberto Salinas Carranza, of the Mexican Air Force; Rebolledo Clement and Hernandez Llergo, of the Mexican Ministry of Communications and Public Works.

The United States will be represented by L. Welch Pogue, Chairman of the Civil Aeronautics Board; Oswald Ryan, member of the Civil Aeronautics Board; Stokeley W. Morgan, Chief of the Aviation Division, Department of State; and John W. Carrigan, Chief of the Division of Mexican Affairs, Department of State.

Regarding Philippine Independence

Statement by THE PRESIDENT

[Released to the press by the White House October 3]

As you know, President Osmeña of the Philippines is in Washington. On Monday, I conferred with him and with the High Commissioner to the Philippines, Mr. McNutt, and the Acting Secretary of the Interior, Mr. Fortas. I propose to confer again with President Osmeña and to formulate a broad program for this Government with respect to the Philippines. This program will, of course, reflect the traditional friendship of the people of the United States and of the Philippines, and it will take account of the heroic and loyal conduct of the Filipinos during the war. In preparation for my further conferences with President Osmeña, I have asked Mr. McNutt and Mr. Fortas to consult with the President of the Philippines with respect to all matters of mutual interest.

At the moment, I want to clarify the question of the date upon which Philippine independence may be expected. Under the statutes now in force, independence is scheduled for July 4, 1946, or sooner if the President of the United States shall so proclaim. There has been wide speculation as to whether a date prior to July 4, 1946, will be fixed. This speculation has introduced a high degree of uncertainty at a very critical time in Philippine affairs, and has resulted in some confusion in the programs of both the Commonwealth Government and United States agencies.

It would be neither just nor fair to the loyal people of the Philippines, who have been our brothers in war as well as in peace, to proclaim their independence until the necessary program for rehabilitation has been worked out and until there has been a determination of the fundamental problems involved in our mutual relationship after independence. Additional time is also required to enable the Philippine Government to set its own house in order and to hold a free democratic election.

To assist in the orderly working out of these problems, I am taking this opportunity to state that I do not intend to consider advancing the proclamation of Philippine independence to a date earlier than July 4, 1946 until the necessary measures which I have outlined have been taken.



Our Occupation Policy for Japan

PARTICIPANTS

JOHN CARTER VINCENT

Director, Office of Far Eastern Affairs,
Department of State, and Chairman,
Far Eastern Subcommittee, State, War,
Navy Coordinating Committee

Maj. Gen. JOHN H. HILLDRING

Director of Civil Affairs, War Department

Capt. R. L. DENNISON

U.S. Navy, Representative of the Navy
Department on the Far Eastern Subcommittee, State, War, Navy Coordinating Committee

STERLING FISHER

Director, NBC University of the Air

[Released to the press October 6]

ANNOUNCER: Here are headlines from Washington:

General Hilldring Says the Zaibatsu, or Japanese Big Business, Will Be Broken Up; States We Will Not Permit Japan To Rebuild Her Big Combines; Promises Protection of Japanese Democratic Groups Against Attacks by Military Fanatics.

John Carter Vincent of State Department Forecasts End of National Shinto; Says That the Institution of the Emperor Will Have To Be Radically Modified, and That Democratic Parties in Japan Will Be Assured Rights of Free Assembly and Free Discussion.

Captain Dennison of Navy Department Says Japan Will Not Be Allowed Civil Aviation; Predicts That Japanese Will Eventually Accept Democracy, and Emphasizes Naval Responsibility for Future Control of Japan.

ANNOUNCER: This is the thirty-fourth in a series of programs entitled "Our Foreign Policy," featuring authoritative statements on international affairs by Government officials and members of Congress. The series is broadcast to the people of America by NBC's University of the Air, and to our service men and women overseas, wherever they are stationed, through the facilities of the

Armed Forces Radio Service. Printed copies of these important discussions are also available. Listen to the closing announcement for instructions on how to obtain them.

This time we present a joint State, War, and Navy Department broadcast on "Our Occupation Policy for Japan". Participating are Mr. John Carter Vincent, Director of the Office of Far Eastern Affairs in the State Department; Maj. Gen. John H. Hilldring, Director of Civil Affairs in the War Department; and Capt. R. L. Dennison, U.S.N., Navy Department representative on the Far Eastern Subcommittee of the State, War, Navy Coordinating Committee. They will be interviewed by Sterling Fisher, Director of the NBC University of the Air. Mr. Fisher—

FISHER: No subject has been debated more widely by the press, radio, and general public in recent weeks than our occupation policy in Japan. That debate has served a very useful purpose. It has made millions of Americans conscious of the dangers and complications of our task in dealing with 70 million Japanese.

Publication by the White House of our basic policy for Japan removed much of the confusion surrounding this debate.¹ But it also raised many questions—questions of how our policy will be applied. To answer some of these, we have asked representatives of the Departments directly concerned—the State, War, and Navy Departments—to interpret further our Japan policy.

General Hilldring, a great many people seemed to think, until recently at least, that General MacArthur was more or less a free agent in laying down our policy for the Japanese. Perhaps you would start by telling us just how that policy is determined.

HILLDRING: Well, although I help execute policy instead of making it, I will try to explain how it is made. The State, War, Navy Coordinating Committee—"SWINC", we call it—formulates policy for the President's approval, on questions of basic importance. On the military aspects, the views of the Joint Chiefs of Staff are obtained and carefully considered. Directives which carry the approved policies are then drawn

¹ BULLETIN of Sept. 23, 1945, p. 423.

to be transmitted by the Joint Chiefs of Staff to General MacArthur. As Supreme Commander of our occupation forces in Japan, he is charged with the responsibility for carrying them out. And we think he is doing it very well.

FISHER: Mr. Vincent, the Far Eastern subcommittee of which you are chairman does most of the work of drafting the policy directives, as I understand it.

VINCENT: That's right, Mr. Fisher. We devote our entire energies to Far Eastern policy and meet twice a week to make decisions on important matters. We then submit our recommendations to the top Coordinating Committee, with which General Hildring is associated and with which Captain Dennison and I sit in an advisory capacity.

HILDRING: The key members of the Coordinating Committee, representing the Secretaries of the three departments, are Assistant Secretary of State James Dunn, the Assistant Secretary of War, John J. McCloy, and the Under Secretary of the Navy, Artemus Gates.

FISHER: Mr. Vincent, I'd like to know whether there is a—shall we say—strained relationship between General MacArthur and the State Department.

VINCENT: No, there is absolutely no basis for such reports, Mr. Fisher. There is, as a matter of fact, no direct relationship between General MacArthur and the State Department. I can assure you that General MacArthur is receiving our support and assistance in carrying out a very difficult assignment.

FISHER: There have been some reports that he has not welcomed civilian advisers.

VINCENT: That also is untrue. A number of civilian Far Eastern specialists have already been sent out to General MacArthur's headquarters, and he has welcomed them most cordially. We're trying right now to recruit people with specialized knowledge of Japan's economy, finances, and so on. We expect to send more and more such people out.

FISHER: As a Navy representative on the Far Eastern subcommittee, Captain Dennison, I suppose you've had a good opportunity to evaluate the situation. Some people don't realize that the Navy Department has a direct interest in, and voice in, the policy for Japan.

DENNISON: We have a vital interest in it. The 2 million men and the 5,000 vessels of the United

States Navy in the Pacific and the vital role they played in the defeat of Japan are a measure of that interest. Japan is an island country separated from us by 4,500 miles of ocean. Its continued control will always present a naval problem.

FISHER: What part is the Navy playing now in that control?

DENNISON: Our ships are patrolling the coasts of Japan today, and in this duty they support the occupation force. Navy officers and men will aid General MacArthur ashore, in censorship (radio, telephone, and cable) and in civil-affairs administration. The Navy is in charge of military government in the former Japanese mandates in the Pacific and also in the Ryukyu Islands.

FISHER: Does that include Okinawa?

DENNISON: Yes.

FISHER: That's not generally known, is it?

DENNISON: No, I believe not. I'd like to add—besides these immediate duties the United States Navy will have to exercise potential control over Japan long after our troops are withdrawn.

FISHER: Now, I'd like to ask you, Mr. Vincent, as chairman of the subcommittee which drafts our occupation policy, can you give us a statement of our over-all objectives?

VINCENT: Our immediate objective is to demobilize the Japanese armed forces and demilitarize Japan. Our long-range objective is to democratize Japan—to encourage democratic self-government. We must make sure that Japan will not again become a menace to the peace and security of the world.

FISHER: And how long do you think that will take?

VINCENT: The length of occupation will depend upon the degree to which the Japanese cooperate with us. I can tell you this: The occupation will continue until demobilization and demilitarization are completed. And it will continue until there is assurance that Japan is well along the path of liberal reform. Its form of government will not necessarily be patterned exactly after American democracy, but it must be responsible self-government, stripped of all militaristic tendencies.

FISHER: General Hildring, how long do you think we'll have to occupy Japan?

HILDRING: To answer that question, Mr. Fisher, would require a degree of clairvoyance I



don't possess. I just don't know how long it will take to accomplish our aims. We *must* stay in Japan, with whatever forces may be required, until we have accomplished the objectives Mr. Vincent has mentioned.

FISHER: To what extent will our Allies, such as China and Great Britain and the Soviet Union, take part in formulating occupation policy?

HILLDRING: That is not a question which soldiers should decide. It involves matters of high policy on which the Army must look to the State Department. I believe Mr. Vincent should answer that question.

FISHER: Well, Mr. Vincent, how about it?

VINCENT: Immediately following the Japanese surrender, the United States proposed the formation of a Far Eastern Advisory Commission as a means of regularizing and making orderly the methods of consulting with other countries interested in the occupation of Japan. And Secretary of State Byrnes announced recently that a Commission would be established for the formulation of policies for the control of Japan.¹ In addition to the four principal powers in the Far East, a number of other powers are to be invited to have membership on the Commission.

FISHER: Coming back to our first objective—General Hilldring, what about the demobilization of the Japanese Army? How far has it gone?

HILLDRING: Disarmament of the Japanese forces in the four main islands is virtually complete, Mr. Fisher. Demobilization in the sense of returning disarmed soldiers to their homes is well under way, but bombed-out transport systems and food and housing problems are serious delaying factors.

FISHER: And what's being done about the Japanese troops in other parts of Asia?

HILLDRING: It may take a long time for them all to get home. Demands on shipping are urgent, and the return of our own troops is the highest priority. Relief must also be carried to the countries we have liberated; the return of Japanese soldiers to their homes must take its proper place.

FISHER: Captain Dennison, how long do you think it will take to clean up the Japanese forces scattered through Asia?

DENNISON: It may take several years, Mr. Fisher. After all, there are close to three million

Japanese scattered around eastern Asia and the Pacific, and for the most part it will be up to the Japanese themselves to ship them home.

FISHER: And what is being done with the Japanese Navy?

DENNISON: The Japanese Navy has been almost completely erased. There's nothing left of it except a few battered hulks and these might well be destroyed.

FISHER: Now, there are some other, less obvious parts of the military system—the police system, for example. The Japanese secret police have been persecuting liberal, anti-militarist people for many years. Mr. Vincent, what will be done about that?

VINCENT: That vicious system will be abolished, Mr. Fisher. Not only the top chiefs but the whole organization must go. That's the only way to break its hold on the Japanese people. A civilian police force such as we have in America will have to be substituted for it.

DENNISON: We've got to make sure that what they have is a police force, and not an army in the guise of police.

HILLDRING: As a matter of fact, Mr. Fisher, General MacArthur has already abolished the Kempai and political police.

FISHER: It seems to me that a key question in this whole matter, Mr. Vincent, is the relationship of our occupation forces to the present Japanese Government, from the Emperor on down.

VINCENT: Well, one of General MacArthur's tasks is to bring about changes in the Constitution of Japan. Those provisions in the Constitution which would hamper the establishment in Japan of a government which is responsible to the people of Japan must be removed.

FISHER: Isn't the position of the Emperor a barrier to responsible government?

VINCENT: The institution of the Emperor—if the Japanese do not choose to get rid of it—will have to be radically modified, Mr. Fisher.

DENNISON: The Emperor's authority is subject to General MacArthur and will not be permitted to stand as a barrier to responsible government. Directives sent to General MacArthur establish that point.

FISHER: Can you give us the substance of that directive that covers that point, Captain Dennison?

DENNISON: I can quote part of it to you. The message to General MacArthur said:

¹ See p. 545.

"1. The authority of the Emperor and the Japanese Government to rule the state is subordinate to you as Supreme Commander for the Allied Powers. You will exercise your authority as you deem proper to carry out your mission. Our relations with Japan do not rest on a contractual basis, but on an unconditional surrender. Since your authority is supreme, you will not entertain any question on the part of the Japanese as to its scope.

"2. Control of Japan shall be exercised through the Japanese Government to the extent that such an arrangement produces satisfactory results. This does not prejudice your right to act directly if required. You may enforce the orders issued by you by the employment of such measures as you deem necessary, including the use of force." That's the directive under which General MacArthur is operating.

FISHER: That's clear enough. . . . Now, General Hilldring, you have to do with our occupation policy in both Germany and Japan. What is the main difference between them?

HILLDRING: Our purposes in Germany and Japan are not very different. Reduced to their simplest terms, they are to prevent either nation from again breaking the peace of the world. The difference is largely in the mechanism of control to achieve that purpose. In Japan there still exists a national Government, which we are utilizing. In Germany there is no central government, and our controls must, in general, be imposed locally.

FISHER: Are there advantages from your point of view in the existence of the national Government in Japan?

HILLDRING: The advantages which are gained through the utilization of the national Government of Japan are enormous. If there were no Japanese Government available for our use, we would have to operate directly the whole complicated machine required for the administration of a country of 70 million people. These people differ from us in language, customs, and attitudes. By cleaning up and using the Japanese Government machinery as a tool, we are saving our time and our manpower and our resources. In other words, we are requiring the Japanese to do their

own housecleaning, but we are providing the specifications.

FISHER: But some people argue, General, that by utilizing the Japanese Government we are committing ourselves to support it. If that's the case, wouldn't this interfere with our policy of removing from public office and from industry persons who were responsible for Japan's aggression?

HILLDRING: Not at all. We're not committing ourselves to support any Japanese groups or individuals, either in government or in industry. If our policy requires removal of any person from government or industry, he will be removed. The desires of the Japanese Government in this respect are immaterial. Removals are being made daily by General MacArthur.

DENNISON: Our policy is to *use* the existing form of government in Japan, not to *support* it. It's largely a matter of timing. General MacArthur has had to feel out the situation.

FISHER: Would you say, Captain Dennison, that when our forces first went to Japan they were sitting on a keg of dynamite?

DENNISON: In a sense, yes. But our general policies were set before General MacArthur landed a single man. As he has brought in troops, he has correspondingly tightened his controls in order to carry out those policies.

FISHER: He certainly has, Captain. But what about the Japanese politicians, Mr. Vincent? Some of them look pretty guilty to me.

VINCENT: Well, the Higashi-Kuni cabinet resigned this week. The report today that Shidehara has become Premier is encouraging. It's too early to predict exactly what the next one will be like, but we have every reason to believe it will be an improvement over the last one. If any Japanese official is found by General MacArthur to be unfit to hold office, he will go out.

FISHER: Will any of the members of the Higashi-Kuni cabinet be tried as war criminals?

VINCENT: We can't talk about individuals here, for obvious reasons. But we can say this: All people who are charged by appropriate agencies with being war criminals will be arrested and tried. Cabinet status will be no protection.

HILLDRING: We are constantly adding to the list of war criminals, and they are being arrested every day. The same standards which Justice Jackson is applying in Germany are being used in Japan.

DENNISON: Our policy is to catch the war criminals and make sure that they are punished—not to

talk about who is a war criminal and who is not.

FISHER: All right, Captain Dennison, leaving names out of the discussion, let me ask you this: Will we consider members of the Zaibatsu—the big industrialists—who have cooperated with the militarists and profited by the war, among the guilty?

DENNISON: We'll follow the same basic policy as in Germany. You will recall that some industrialists there have been listed as war criminals.

FISHER: General Hildring, what are we going to do about the big industrialists who have contributed so much to Japan's war-making power?

HILDRING: Under our policy, all Fascists and jingos—militarists—will be removed, not only from public office but from positions of trust in industry and education as well. As a matter of national policy, we are going to destroy Japan's war-making power. That means the big combines *must* be broken up. There's no other way to accomplish it.

FISHER: What do you say about the big industrialists, Mr. Vincent?

VINCENT: Two things. We have every intention of proceeding against those members of the Zaibatsu who are considered as war criminals. And, as General Hildring has just said, we intend to break the hold those large family combines have over the economy of Japan—combines such as Mitsui, Mitsubishi, and Sumitomo, to name the most prominent.

FISHER: And the financial combines as well?

VINCENT: Yes. General MacArthur, as you've probably heard, has already taken steps to break the power of the big financial combines and strip them of their loot.

FISHER: Well, there's no feeling here of "Don't let's be beastly to the Zaibatsu". Captain Dennison, do you want to make it unanimous?

DENNISON: There's no disagreement on this point in our committee, Mr. Fisher. There has been a lot of premature criticism. But the discovery and arrest of all war criminals cannot be accomplished in the first few days of occupation. Our policy is fixed and definite. Anyone in Japan who brought about this war, whether he is of the Zaibatsu, or anyone else, is going to be arrested and tried as a war criminal.

FISHER: General Hildring, one critic has charged that our policy in Germany has been to send Americans over to help rebuild the big trusts, like I. G. Farbenindustrie. He expressed the fear

that a similar policy would be followed in Japan. What about that?

HILDRING: I can say flatly, Mr. Fisher, that we are *not* rebuilding the big trusts in Germany, we *have not* rebuilt them, and we *are not going to* rebuild them in the future. The same policy will prevail in Japan. Moreover, not only will we not *revive* these big trusts but we do not propose to permit the Germans or the Japanese to do so.

FISHER: And that applies to all industries that could be used for war purposes?

HILDRING: The Japanese will be prohibited from producing, developing, or maintaining all forms of arms, ammunitions, or implements of war, as well as naval vessels and aircraft. A major portion of this problem will involve the reduction or elimination of certain Japanese industries which are keys to a modern war economy. These industries include production of iron and steel, as well as chemicals, machine tools, electrical equipment, and automotive equipment.

VINCENT: This, of course, implies a major re-orientation of the Japanese economy, which for years has been geared to the requirements of total war. Under our close supervision, the Japanese will have to redirect their human and natural resources to the ends of peaceful living.

FISHER: Mr. Vincent, won't this create a lot of unemployment? Is anything being done to combat unemployment—among the millions of demobilized soldiers, for example?

VINCENT: Our policy is to place responsibility on the Japanese for solving their economic problems. They should put emphasis on farming and fishing and the production of consumer goods. They also have plenty of reconstruction work to do in every city. We have no intention of interfering with any attempts by the Japanese to help themselves along these lines. In fact, we'll give them all the encouragement we can.

FISHER: What do you think they'll do with the workers who are thrown out of heavy war industry?

VINCENT: They'll have to find jobs in the light industries Japan is allowed to retain. The general objective of this revamping of Japan's industrial economy will be to turn that economy in on itself so that the Japanese will produce more and more for their domestic market.

FISHER: They'll have to have *some* foreign trade of course to keep going.

VINCENT: Of course, but not the unhealthful that they had before the war. A large portion of Japan's pre-war foreign trade assets were used for military preparations, and not to support her internal economy; after all, scrap-iron and oil shipments didn't help the Japanese people. You could reduce Japan's foreign trade far below the pre-war level and still have a standard of living comparable to what they had before the war.

FISHER: There have been some dire predictions about the food situation over there, and even some reports of rice riots. General Hildring, what will your policy be on food?

HILDRING: General MacArthur has notified the War Department that he does not expect to provide any supplies for the enemy population in Japan this winter. This statement is in harmony with the policy we have followed in other occupied enemy areas. That is to say, we will import supplies for enemy populations only where essential to avoid disease epidemics and serious unrest that might jeopardize our ability to carry out the purposes of the occupation. The Japanese will have to grow their own food or provide it from imports.

FISHER: They'll need some ships to do that. Captain Dennison, are we going to allow Japan to rebuild her merchant marine?

DENNISON: We've got to allow her to rebuild her peacetime economy—that's the price of disarmament. That means trade. But the question of how many ships shall carry this trade hasn't been decided yet. We know we must control Japan's ports, in order to keep her from rearming—and the best way to do that may be to carry a good part of her trade on Allied ships.

FISHER: Then, Captain Dennison, what about Japan's civil aviation? A lot of people were quite surprised recently when General MacArthur allowed some Japanese transport planes to resume operations.

DENNISON: That will not be continued, Mr. Fisher. Under the terms of General MacArthur's directive in this field, *no civil aviation* will be permitted in Japan.

VINCENT: Such aviation as General MacArthur did allow was to meet a specific emergency. It will not be continued beyond that emergency.

FISHER: In this revamping of Japan's economy, Mr. Vincent, will the hold of the big landholders be broken, as you have said the power of the big industrialists will be?

VINCENT: Encouragement will be given to any movement to reorganize agriculture on a more democratic economic basis. Our policy favors a wider distribution of land, income, and ownership of the means of production and trade. But those are things a democratic Japanese government should do for itself—and will, we expect.

FISHER: And the labor unions? What about them?

VINCENT: We'll encourage the development of trade-unionism, Mr. Fisher, because that's an essential part of democracy.

FISHER: I understand a lot of the former union leaders and political liberals are still in jail. What has been done to get them out?

VINCENT: General MacArthur has already ordered the release of all persons imprisoned for "dangerous thoughts" or for their political or religious beliefs.

FISHER: That ought to provide some new leadership for the democratic forces in Japan. Captain Dennison, to what extent are we going to help those forces?

DENNISON: Our policy is one of definitely encouraging liberal tendencies among the Japanese. We'll give them every opportunity to draw up and to adopt a constructive reform program.

VINCENT: All democratic parties will be encouraged. They will be assured the rights of free assembly and free public discussion. The occupation authorities are to place no obstruction in the way of the organization of political parties. The Japanese Government has already been ordered to remove all barriers to freedom of religion, of thought, and of the press.

FISHER: I take all this to mean that the democratic and anti-militarist groups will be allowed free rein. But, Mr. Vincent, suppose some nationalistic group tried to interfere with them, using gangster methods?

VINCENT: It would be suppressed. One of General MacArthur's policy guides calls for "the encouragement and support of liberal tendencies in Japan". It also says that "changes in the direction of modifying authoritarian tendencies of the government are to be permitted and favored".

FISHER: And if the democratic parties should find it necessary to use force to attain *their* objectives?

VINCENT: In that event, the Supreme Commander is to intervene only where necessary to protect our own occupation forces. This implies that



to achieve liberal or democratic political ends the Japanese may even use force.

DENNISON: We are not interested in upholding the *status quo* in Japan, as such. I think we should make that doubly clear.

FISHER: One of the most interesting developments in recent weeks has been the apparent revival of liberal and radical sentiment in Japan. I understand that the leaders of several former labor and socialist political groups are getting together in one party—a Socialist party. What stand will we take on that, General Hildring?

HILDRING: If the development proves to be genuine, we will give it every encouragement, in line with our policy of favoring all democratic tendencies in Japan. And we'll protect all democratic groups against attack by military fanatics.

FISHER: You intend to do anything that's necessary, then, to open the way for the democratic forces.

HILDRING: We're prepared to support the development of democratic government even though some temporary disorder may result—so long as our troops and our over-all objectives are not endangered.

FISHER: I have one more question of key importance, Mr. Vincent. What will be done about Shintoism, especially that branch of it that makes a religion of nationalism and which is called "National Shinto"?

VINCENT: Shintoism, in so far as it is a religion of individual Japanese, is not to be interfered with. Shintoism, however, as a state-directed religion is to be done away with. People will not be taxed to support National Shinto, and there will be no place for Shintoism in the schools.

FISHER: That's the clearest statement I have heard on Shinto.

VINCENT: Our policy on this goes beyond Shinto, Mr. Fisher. The dissemination of Japanese militaristic and ultra-nationalistic ideology in any form will be completely suppressed.

FISHER: And what about the clean-up of the Japanese school system? That will be quite a chore, Mr. Vincent.

VINCENT: Yes, but the Japanese are cooperating with us in cleaning up their schools. We will see to it that all teachers with extreme nationalistic leanings are removed. The primary schools are being reopened as fast as possible.

DENNISON: That's where the real change must

stem from—the school system. The younger generation must be taught to understand democracy. That goes for the older generation as well.

FISHER: And that may take a very long time, Captain Dennison.

DENNISON: How long depends on how fast we are able to put our directives into effect. It may take less time than you think, if we reach the people through all channels—school texts, press, radio, and so on.

FISHER: What's the basis for your optimism, Captain?

DENNISON: Well, Mr. Fisher, I've had opportunity to observe a good many Japanese outside of Japan. Take for example the Japanese-Americans in Hawaii. They used to send their children to Japan at the age of about 7, I think, to spend a year with their grandparents. The contrast between the life they found in Japan and the life they had in Hawaii was so clear that the great majority returned to Hawaii completely loyal to the United States. They proved their loyalty there during the war.

FISHER: What accounts for that loyalty?

DENNISON: Simply that they like the American way of life better. At seven, it's the ice cream, the movies, the funny papers they like, but as they get older they learn to understand and appreciate the more important things as well. I believe the people in Japan will like our ways too. I think once they have a taste of them—of real civil liberties—they'll never want to go back to their old ways.

HILDRING: I'm inclined to agree, Captain. As a matter of fact, it's quite possible we may find Japan less of a problem than Germany, as far as retraining the people for democracy is concerned. The Nazis are hard nuts to crack—they've been propagandized so well, trained so well. The Japanese are indoctrinated with one basic idea: obedience. That makes it easier to deal with them.

VINCENT: Or it may make it more difficult, General. It depends on how you look at it. That trait of obedience has got to be replaced by some initiative, if there's to be a real, working democracy in Japan.

HILDRING: I don't mean to say it will be easy. It won't be done overnight. And we'll have to stay on the job until we're sure the job is done.

FISHER: Mr. Vincent, what can you tell us about the attitudes of the Japanese under the occupation?

VINCENT: The press has told you a lot, Mr.

FISHER: I can say here that recent indications are the Japanese people are resigned to defeat, anxious about the treatment to be given them. is good evidence of a willingness to cooperate with the occupying forces. But, because of the long period of military domination they've undergone only time and encouragement will bring about the emergence of sound democratic leadership. We shouldn't try to "hustle the East", or General MacArthur. Reform in the social, economic, and political structure must be a gradual process, wisely initiated and carefully fostered.

FISHER: Well, thank you, Mr. Vincent, and thanks to you, General Hilldring and Captain Dennison, for a clear and interesting interpretation of our occupation policy for Japan. You've made it very plain that ours is a tough, realistic policy—one that's aimed at giving no encouragement to the imperialists and every possible encouragement to the pro-democratic forces which are now beginning to reappear in Japan.

ANNOUNCER: That was Sterling Fisher, Director of the NBC University of the Air. He has been interviewing Mr. John Carter Vincent, Director of the Office of Far Eastern Affairs of the State Department; Maj. Gen. John H. Hilldring,

Director of Civil Affairs, War Department; and Capt. R. L. Dennison, Navy representative on the Far Eastern Subcommittee of the State, War, Navy Coordinating Committee. The discussion was adapted for radio by Selden Menefee. This was the thirty-fourth of a series of broadcasts on "Our Foreign Policy," presented as a public service by the NBC University of the Air. You can obtain printed copies of these broadcasts at 10 cents each in coin. If you would like to receive copies of the broadcasts, send \$1 to cover the costs of printing and mailing. Special rates are available for large orders. Address your orders to the NBC University of the Air, Radio City, New York 20, New York. NBC also invites your questions and comments. Next week we expect to present a special State Department program on our Latin American policy, with reference to Argentina and the postponement of the inter-American conference at Rio de Janeiro. Our guests are to be Assistant Secretary of State Spruille Braden, who has just returned from Buenos Aires, and Mr. Ellis O. Briggs, Director of the Office of American Republic Affairs. Listen in next week at the same time for this important program. . . . Kennedy Ludlam speaking from Washington, D.C.

Statement on the Establishment of a Far Eastern Commission To Formulate Policies for the Carrying Out of the Japanese Surrender Terms'

[Released to the press October 1]

Mr. James F. Byrnes, the Secretary of State of the United States, announced that he has received from Mr. Ernest Bevin, the Secretary of State for Foreign Affairs of Great Britain, the consent of the British Government to the proposal made by the United States Government on August 22 for the establishment of a Far Eastern Commission to formulate policies for the carrying out of the Japanese surrender terms.

The Commission will also be asked to consider whether a Control Council should be established and if so the powers which should be vested in it.

The Soviet Union and China had already given their consent to the establishment of the Commission. France, the Philippines, Australia, New Zealand, Canada, and the Netherlands will be invited to become members of the Commission.

The first meeting of the Commission will be convened in Washington in the near future.

In agreeing to the establishment of the Commission Mr. Bevin stated it was his understanding that the Commission could determine whether it should meet in Washington or Tokyo. Secretary Byrnes confirmed Mr. Bevin's understanding and said that the United States representative would be instructed to vote that the Commission hold meetings in Tokyo.

Mr. Bevin also requested that India be invited to become a member of the Commission. Mr. Byrnes said the United States would agree to the request and that he would submit the request to the Governments of the Soviet Union and China for their approval.

' Issued by the Secretary of State in London on Sept. 29, 1945.

Report on UNRRA Shipments to Liberated Areas

[Released to the press by UNRRA October 7]

In a report submitted to the Committee on Supplies of the United Nations Relief and Rehabilitation Administration, Herbert H. Lehman, Director General, stated that UNRRA shipments to the liberated areas had passed the 2,000,000-ton mark.

"The figures as of the end of September are 2,079,000 long tons of relief supplies shipped", said Mr. Lehman. "Their value was \$530,000,000."

While expressing gratification that shipments are proceeding at an accelerated rate, the Director General stated that lack of funds was now the chief threat to the success of UNRRA's program.

"The end of hostilities", he reported, "has resulted in a great improvement in the supply situation. Shipping, which in the past was one of the most serious bottlenecks in bringing relief to the liberated areas, has eased up to such an extent that we do not anticipate any serious problems in obtaining adequate cargo space. Our main problem is adequate financial resources to take advantage of the improved supply and shipping conditions."

"The greatly increased activities during the last few months have brought us to a point where immediate appropriation of the funds already authorized by the Congress of the United States has become a matter of great urgency. The United States has to date appropriated \$800,000,000 for the work of UNRRA. Of this amount \$80,000,000 has been used and \$13,000,000 is in the process of being used for the procurement of scarce supplies not available in the United States. An additional \$17,000,000 has been used for transport services, for other relief and rehabilitation services, and for administrative expenses. The remaining \$660,000,000 has been or is being used for the procurement of relief and rehabilitation supplies from the United States. Of this last amount, \$270,000,000 worth of supplies had been shipped by the end of September. Shipments programmed for October and November from the United States represent another \$270,000,000. All of this last amount is already under procure-

ment. The remaining \$120,000,000 is largely under procurement to maintain a sufficient pipeline of supplies, many of which have production cycles ranging from 4 to 10 months.

"Every day of delay in making additional funds available to us increases the danger of creating a break in our flow of supplies to the liberated areas during the most critical period of the winter months. We are already handicapped in our forward procurements. However, this committee will be glad to know that the United States congressional hearings on the appropriation of the remainder of the funds already authorized will, I am advised, commence shortly."

Discussing UNRRA's policy of making full use of Army surpluses which can be fitted into its relief program, the Director General said:

"With the end of hostilities UNRRA took immediate steps to obtain as much as possible of the needed supplies from the armies, whose stocks suddenly became surplus to a considerable extent. The total volume of supplies procured from surpluses owned by the United States Government amounted to more than \$59,000,000 by the end of August. This figure includes \$21,600,000 worth of clothing which had been procured from United States Army cutbacks after the end of hostilities in Europe and immediately programmed for shipment so as to permit distribution in the liberated countries before winter. Most of this surplus property came from the continental United States."

"A joint U.S. Government - UNRRA mission went to Europe at the beginning of September to procure \$150,000,000 worth of supplies from United States Army surpluses overseas. UNRRA had prepared a list of requirements with an estimated value of nearly \$200,000,000. These lists were distributed by the military authorities to Army depots in Europe. They were screened against actual availabilities, and 75 percent of these requirements have been indicated as available and \$150,000,000 have been set aside and ten-

tatively allocated by major commodity groups as follows:

Industrial Rehabilitation (including trucks) . . .	\$ 83,000,000
Agricultural Rehabilitation	27,000,000
Clothing, Textiles and Footwear	10,000,000
Medical Supplies and Equipment	8,000,000
Food	22,000,000
	\$150,000,000

"The Administration hopes to obtain from the United States Army upward of 40,000 trucks. It has received reports that the delivery of the Army surplus trucks has already started from Italy to Greece and Yugoslavia and is to begin from northwestern Europe to Poland and Czechoslovakia in the first part of October. Individual commodities included on the list of UNRRA requirements from Army surpluses includes also canned meats, evaporated milk, lard, oleomargarine, Army rations, and soaps, as well as blankets, comforters, and footwear, and large stores of medical supplies.

"Under arrangements with the Canadian Government the Canadian military authorities are delivering, out of Canadian Army surpluses, trucks to Poland and Czechoslovakia at the rate of 200 trucks per day; the total number of Canadian surplus trucks which will be made available to UNRRA is expected to exceed 5,000. Other Canadian surplus property, including clothing, is also under procurement. Supplies from British military surpluses have also begun to flow to UNRRA, consisting thus far mainly of trucks, mules, and medical supplies. Much of our procurement of clothing, food, and medical supplies in Australia and New Zealand also has war surpluses as its source.

"In order to accelerate the delivery of programmed supplies to China when additional funds become available, UNRRA is also undertaking surveys of available U.S. military surpluses in the Far East and is conducting negotiations with military authorities looking forward to their purchase."

Mr. Lehman reported that some of the countries which until recently had been occupied by the enemy and which are being helped by UNRRA

are now contributing supplies to other liberated areas.

"At the Third Session of the Council in London a representative of the Czechoslovak Government informed the Council that his Government was preparing a list of supplies which Czechoslovakia will have in surplus and will be able to hand over to UNRRA. One of the items will be sugar. The Italian Government has agreed to make immediately available 10,000 tons of salt as a contribution to UNRRA and destined for Yugoslavia. UNRRA is carrying on negotiations with the Government of Norway which may result in a contribution of some surpluses which Norway may be able to spare for the work of UNRRA. We hope that these contributions represent only the beginning of what the liberated countries may be able to do to assist UNRRA."

Commenting on the distribution of the shipment of the 2,079,000 tons of supplies through September (see tables I, II, III, and IV),¹ Mr. Lehman said:

"You will note that, although we have succeeded in improving the situation very considerably in some receiving countries, other countries continue to constitute a problem. Thus, while shipments from Yugoslavia in September reached 134,000 tons compared with 64,000 tons in July, shipments to Czechoslovakia and Poland amounted to little over 40,000 tons each, due primarily to lack of sufficient port reception capacity."

The following table shows UNRRA shipments to the liberated areas through September.

ESTIMATED SHIPMENT OF UNRRA SUPPLIES TO
LIBERATED AREAS BY COUNTRY OF DESTINATION
THROUGH SEPTEMBER, 1945

(Basis of Vessels Cleared)

Country of Destination	Gross Long Tons	Dollar Value
Albania	25, 400	\$9, 000, 000
Czechoslovakia	158, 400	73, 900, 000
Greece	1, 168, 900	189, 800, 000
Italy	102, 200	21, 000, 000
Poland	163, 300	89, 900, 000
Yugoslavia	455, 400	143, 600, 000
Other UNRRA Operations	5, 200	2, 700, 000
China	200	600, 000
TOTAL	2, 079, 000	\$530, 500, 000

¹ Not printed.

Discussions on Draft Constitution for Educational and Cultural Organization

GROUP MEETING AT THE DEPARTMENT OF STATE

[Released to the press October 1]

The draft constitution of the proposed Educational and Cultural Organization of the United Nations was discussed at a conference held at the Department of State on September 24.¹ The meeting was one of a series being held throughout the country for the purpose of informing representatives of interested organizations about the proposals and for obtaining suggestions for changes in the draft constitution. Similar meetings have been held in New York, San Francisco, Chicago, and Denver.

Suggestions and recommendations emanating from these meetings will be transmitted to the United States Delegation to the United Nations conference which is to be held in London beginning November 1 for final drafting of the constitution.

Representatives of some 50 national organizations accepted the invitation to attend the meeting in Washington, where discussion centered around such questions as:

Should membership in the organization be limited to members of the United Nations?

Is the statement of functions and purposes adequate as contained in the draft constitution?

Are its provisions adequate to establish mutually satisfactory relations between the organization and private international organizations?

How should the relations between this organization and the United Nations be defined in the agreement to be concluded after the organization is established?

REMARKS BY ASSISTANT SECRETARY BENTON²

[Released to the press October 1]

I have been trying to get rid of that term *educational and cultural affairs*, but you can see how it haunts me. It is impossible to get terminology that properly describes some of these areas in which I am interested. The announcement of Acting Secretary Acheson dubbed me with a new phrase as Assistant Secretary in charge of public affairs. That seems to take in almost anything.

It gives me a lot of satisfaction to welcome you to this working conference of citizens and the State Department. Today's meeting is significant and it seems to me a practical attempt to further the democratic processes in foreign affairs and in the making of foreign policy through meetings of the State Department with those most competent to advise it.

I inquired last week about the history of this idea of consultants for the State Department, and I find that it began in a very small way as far back as 1934 with the creation of a committee called the Committee for Reciprocity Information. Through this committee the public attempted to advise the State Department on questions on the Trade Agreements Act. We—all of us—know more about the continuation of this idea last winter in the form of the national program of discussion and consultation centering around the Dumbarton Oaks Proposals, and of course that program culminated very logically in the consultant operation at the San Francisco conference.

It is my hope in my area of public affairs greatly to expand on these rather humble beginnings in the coming months. Good ideas are seldom if ever, however, new ideas; someone's always had them before.

The test of any good idea is the way in which it

¹ For text of draft constitution see BULLETIN of Aug. 5, 1945, p. 168.

² Made at the opening of the Washington meeting, at which Mr. Benton presided.

is applied. I remember at the University of Chicago an area that interested me greatly, and that was the University broadcasting. When I joined the staff of the University nine years ago I found going along on the air every week the University of Chicago Round Table. That program had been created by some of the professors who were interested in broadcasting and a dozen or fifteen of them who were most interested took turns giving up their time on Sundays to put the program on the air; in fact, there was one stretch of sixteen weeks where the same three men went on every week because no one else would go on. I discovered that a large percentage of the board of trustees of the University of Chicago had never even heard of the program. A considerable percentage of the people on the faculty refused to participate in it. I didn't create the program; as a matter of fact, in spite of all my efforts during the nine years, I didn't affect it very greatly, but I did at least get the money and the production talent and the people to work on it so that, during my responsibility for it, it became known not only to the board of trustees of the University of Chicago but became established as the leading, most important program of its kind in broadcasting and, for a long period of years, enjoyed the largest audience of any program of its kind in broadcasting. I give this only as an illustration that the idea was not new but the problem was a problem of the development of a good idea.

The subject you are going to discuss today is to me of course not only important but very exciting; in fact, it is the most exciting subject to me personally in which I have been projected these past few weeks.

I joined the staff of the University of Chicago because of my deep interest in education. My father for 33 years was a university professor; my mother spent 25 years of her life as a teacher and university professor; my uncle was head of the Latin and Greek department of the University of Minnesota for almost 40 years; my aunt was in the Latin department at Smith for over 20 years and later dean of women at Carlton College in Minnesota. My interest in education thus springs out of my childhood—out of my family background—and it has been enhanced by these past 9 years in Chicago. I know we can all agree it is not possible to overestimate the part education

can play in making or breaking the new United Nations Organization.

For the past six years we have been putting all our strength and all our intelligence into the fight against Fascism, and now we must try to turn the same strength and that same intelligence into a fight for peace and for a better life for the common man. We are now setting up the Organization of the United Nations through which we hope to determine the outcome of that fight. The strategy of terror won the battles for Japan and Germany; the strategy of truth could help us win these coming battles of the peace. Our chances of winning are very slim indeed unless the people of the United Nations can arm themselves with the truth.

Looking back it seems very odd that the word *education* was not mentioned even once in the League of Nations Covenant. Even in San Francisco I understand that there was a pretty hot argument over whether that dangerous word should be in the Charter. We can thank the forces of progress at San Francisco for the fact that it is not only mentioned but that it is mentioned nine times.

The fact that education has been perverted into propaganda by enemies of democracy isn't any reason for us to be timid. Educators will always be accused of being propagandists. Of course I am already so accused, in this new job of mine, but it isn't any excuse for failure to try to do the job.

The new Educational and Cultural Organization of the United Nations cannot be allowed to fail. There isn't any such thing in the mind of man as a vacuum. Where truth does not penetrate, ignorance and prejudice are sure to prevail. I hope that you will go away from this discussion feeling that the chances for truth are being advanced. Good luck to all of you today and God-speed.

THE FOREIGN SERVICE

Embassy at Warsaw

The American Embassy at Warsaw, Poland, was reestablished July 31, 1945.

Agreement Between United States and Norway Relating to Air-Transport Services

[Released to the press October 6]

The Department of State announced the conclusion of a reciprocal civil air-transport agreement with Norway, which was concluded by exchange of notes dated October 6, 1945 signed by Assistant Secretary of State William L. Clayton and the Norwegian Chargé d'Affaires ad interim, Mr. Lars J. Jorstad.

The agreement, which becomes effective October 15, includes the so-called "fifth freedom" privileges with respect to the carriage of international traffic.

Text of the agreement follows:

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND NORWAY RELATING TO AIR TRANSPORT SERVICES

The Governments of the United States of America and Norway signed on October 16, 1933 an air navigation arrangement governing the operation of civil aircraft of the one country in the territory of the other country, in which each party agreed that consent for the operations over its territory by air transport companies of the other party might not be refused on unreasonable or arbitrary grounds. Pursuant to the aforementioned arrangement of 1933, the two governments hereby conclude the following arrangement covering the operation of scheduled airline services between their respective territories, based on the standard form of agreement for air routes and services included in the Final Act of the International Civil Aviation Conference signed at Chicago on December 7, 1944.

Article 1

The contracting parties grant the rights specified in the Annex hereto necessary for establishing the international civil air routes and services therein described, whether such services be inaugurated immediately or at a later date at the option of the contracting party to whom the rights are granted.

Article 2

(a) Each of the air services so described shall be placed in operation as soon as the contracting party to whom the rights have been granted by Article 1 to designate an airline or airlines for the route concerned has authorized an airline for such route, and the contracting party granting the rights shall, subject to Article 6 hereof, be bound to give the appropriate operating permission to the airline or airlines concerned; provided that the airlines so designated may be required to qualify before the competent aeronautical authorities of the contracting party granting the rights under the laws and regulations normally applied by these authorities before being permitted to engage in the operations contemplated by this agreement; and provided that in areas of hostilities or of military occupation, or in areas affected thereby, such inauguration shall be subject to the approval of the competent military authorities.

(b) It is understood that either contracting party granted commercial rights under this agreement should exercise them at the earliest practicable date except in the case of temporary inability to do so.

Article 3

In order to prevent discriminatory practices and to assure equality of treatment, both contracting parties agree that:

(a) Each of the contracting parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the contracting parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(b) Fuel, lubricating oils and spare parts introduced into the territory of one contracting party by the other contracting party or its nationals, and

intended solely for use by aircraft of such other contracting party shall be accorded national and most-favored-nation treatment with respect to the imposition of customs duties, inspection fees or other national duties or charges by the contracting party whose territory is entered.

(c) The fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board civil aircraft of the airlines of one contracting party authorized to operate the routes and services described in the Annex shall, upon arriving in or leaving the territory of the other contracting party, be exempt from customs, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.

Article 4

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one contracting party shall be recognized as valid by the other contracting party for the purpose of operating the routes and services described in the Annex. Each contracting party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another state.

Article 5

(a) The laws and regulations of one contracting party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the other contracting party, and shall be complied with by such aircraft upon entering or departing from or while within the territory of the first party.

(b) The laws and regulations of one contracting party as to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the other contracting party upon entrance into or departure from, or while within the territory of the first party.

Article 6

Each contracting party reserves the right to withhold or revoke a certificate or permit to an airline of the other party in any case where it is not satisfied that substantial ownership and effective control are vested in nationals of either party to this agreement, or in case of failure of an airline to comply with the laws of the state over which it operates as described in Article 5 hereof, or to perform its obligations under this agreement.

Article 7

This agreement and all contracts connected therewith shall be registered with the Provisional International Civil Aviation Organization.

Article 8

Except as may be modified by the present agreement, the general principles of the aforementioned air navigation arrangement of 1933 as applicable to scheduled air transport services shall continue in force until otherwise agreed upon by the two contracting parties.

Article 9

In the event either of the contracting parties considers it desirable to modify the routes or conditions set forth in the attached Annex, it may request consultation between the competent authorities of both contracting parties, such consultation to begin within a period of sixty days from the date of the request. When these authorities mutually agree on new or revised conditions affecting the Annex, their recommendations on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.

Article 10

Either contracting party may terminate this agreement, or the rights for any of the services granted thereunder, by giving one year's notice to the other contracting party.

ANNEX TO AIR TRANSPORT AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND NORWAY

A. Airlines of the United States of America authorized under the present agreement are accorded rights of transit and non-traffic stop in the territory of Norway, as well as the right to pick up and discharge international traffic in passengers, cargo

and mail at Oslo (Gardermoen) or Stavanger (Sola), on the following route:

The United States via intermediate points to Oslo or Stavanger and points beyond; in both directions.

Airlines of the United States of America having the right to pick up and discharge international traffic on the above route will make sufficient traffic stops in Oslo or Stavanger to offer reasonable commercial service for traffic to and from Norway; provided that this undertaking shall not involve any discrimination between airlines of the United States and other countries operating on that same route, shall take into account the capacity of the aircraft, and shall be fulfilled in such a manner as not to prejudice the normal operations of the international air services concerned.

B. Airlines of Norway authorized under the present agreement are accorded rights of transit and non-traffic stop in the territory of the United States of America, as well as the right to pick up and discharge international traffic in passengers, cargo and mail at New York or Chicago, on the following route:

Norway via intermediate points to New York or Chicago; in both directions.

Suggestion for Postponement of Inter-American Conference for Maintenance of Peace and Security

Statement by ACTING SECRETARY ACHESON

[Released to the press October 3]

In view of recent developments in Argentina, the United States Government does not feel that it can properly negotiate or sign with the present Argentine regime a treaty of military assistance. Since the conference to be convened in Rio de Janeiro on October 20 is exclusively for the purpose of negotiating such a treaty, this Government has communicated with the host Government of

Brazil suggesting that that conference be postponed but emphasizing that, in view of the great importance which this Government attaches to the negotiation of such a treaty, it has urged that negotiations proceed as rapidly as possible to the end of concluding and signing such a treaty in Rio de Janeiro at the earliest possible moment.¹

Argentine Situation

Statement by ACTING SECRETARY ACHESON

[Released to the press October 3]

It is the purpose of this Government to consult with the other American republics in respect to the Argentine situation.

Arrangements for Housing Americans in Paris

[Released to the press October 6]

Special arrangements for housing Americans who are temporarily in Paris on business have been made by the American Embassy there.

Due to the difficulty experienced by visiting American businessmen in locating rooms and in obtaining meals, the Embassy has arranged, in cooperation with the Army, to operate the Hotel California in the Rue de Berri for the accommodation of a limited number of Americans whose reason for being in Paris is one of importance to the reestablishment of international trade.

The prices have been fixed at \$2.75 per day for meals and from \$4 to \$11 per day for rooms. No reservations can be made in advance, but accommodations will be assigned by the Embassy's visitors bureau to businessmen on arrival in Paris, if they are on important missions connected with international trade and are unable to find accommodations elsewhere.

The Department emphasizes that only transients can be accommodated, and that persons intending to remain in Paris for three weeks or longer must seek other arrangements. The Embassy's visitors bureau will assist them in this, but cannot give advance assurances that suitable accommodations can be found.

The Army has agreed to permit businessmen traveling outside of Paris, in areas where U. S. forces are stationed, to use Army billeting and mess facilities wherever they are available.

¹The Governing Board of the Pan American Union met on Oct. 5 and adopted a resolution presented by Ambassador Galo Plaza, of Ecuador, to postpone the Rio conference scheduled for Oct. 20 and to call a special meeting of the Governing Board for Nov. 20 to consider a new date for the inter-American conference.

The Department repeats its warning to prospective American travelers that the conditions they will face in Paris and elsewhere in Europe are extremely bad, and will be worse during the winter months, and urges that no one attempt to travel there except on matters of urgent importance.

Compensation for Petroleum Properties Expropriated in Mexico

[Released to the press October 2]

The Chargé d'Affaires ad interim of Mexico has presented to the Acting Secretary of State his Government's check for \$4,085,327.45 in payment of the instalment due at this time under the agreement effected through an exchange of notes on September 29, 1943 establishing the manner and conditions of payment of compensation to this Government for the benefit of certain American nationals who sustained losses as a consequence of the expropriation of petroleum properties in Mexico in March 1938.¹ The Acting Secretary of State requested the Chargé d'Affaires to convey to his Government an expression of this Government's appreciation.

With the present payment of \$4,085,327.45 the balance remaining amounts to \$8,170,654.90 to be liquidated over a period of two years by the payment of \$4,085,327.45 on September 30 of each year. Upon payment of the remaining instalments the total payments will amount to \$29,137,700.84.

THE DEPARTMENT

Division of International Conferences'

Purpose. The present order is issued to redefine, pending the issuance of a more comprehensive order, the responsibilities within the Department of State for the conduct of or participation in international conferences, congresses, expositions, meetings, et cetera.

1 Responsibilities for over-all supervision. The Assistant Secretary or other officer designated by the Secretary, charged with jurisdiction over the subject-matter with which an international con-

ference is to deal, shall be responsible for the execution of policy and for the over-all supervision of the preparations for and conduct of the conferences. The Division of International Conferences and the political or technical divisions primarily concerned shall collaborate with, advise, and assist the Assistant Secretary as required.

2 Primary responsibility for organizational and administrative aspects. The Division of International Conferences shall, under the direction of the appropriate Assistant Secretary and in collaboration with the pertinent political or technical divisions, have primary responsibility for the planning, coordination, and execution of organizational and administrative aspects of international conferences in which the Government of the United States and, particularly, the Department of State participate, other than conferences of the United Nations Organization. With respect to the latter category the Division of International Conferences and the Office of Special Political Affairs shall collaborate as circumstances may require. The services of the Division of International Conferences shall also be available, upon his request, to the Assistant Secretary in charge, for coordination and planning with respect to policy aspects of any conferences in which the Government of the United States participates.

3 Collaboration of other offices and divisions. The offices and divisions of the Department which are responsible for budget, personnel, and administrative servicing matters shall collaborate with and work under the general direction of the Division of International Conferences in regard to the planning and execution of the administrative aspects of international conferences at home and United States participation in conferences held abroad.

4 Information for the Division of International Conferences. The Division of International Conferences shall be informed promptly and fully of any circumstances that may lead to the convening of an international conference and shall be kept informed of current developments regarding such conference. In this connection the Records Branch of the Division of Central Services shall

¹ BULLETIN of Oct. 8, 1944, p. 385.

² Departmental Order 1340, issued and effective Sept. 22, 1945.

see that the Division of International Conferences is included in the routing or distribution of papers relating to all international conferences.

5 *Applicability of the foregoing provisions to international congresses, expositions, et cetera.* The foregoing provisions shall also apply with respect to international congresses, expositions, meetings, et cetera.

6 *Departmental orders amended.* Departmental Order 1301, and any other order in conflict herewith, are amended accordingly.

DEAN ACHESON

Acting Secretary

Appointment of Officers

Francis H. Russell as Acting Director of the Office of Public Affairs, such designation to run concurrently with his duties as Chief of the Division of Public Liaison, effective September 29, 1945.

THE CONGRESS

Study of Naturalization Laws and Procedures: Hearings before Subcommittee II of the Committee on Immigration and Naturalization, House of Representatives, Seventy-ninth Congress, first session, pursuant to H.R. 52, a bill authorizing a complete study of immigration and naturalization laws and problems. May 9, June 4 and 6, 1945. iii, 95 pp.

To Provide for Reorganizing Agencies of the Government, and for Other Purposes: Hearings before the Committee on Expenditures in the Executive Departments, House of Representatives, Seventy-ninth Congress, first session, on H.R. 3325, a bill to provide for reorganizing agencies of the Government, and for other purposes, September 4 and 5, 1945. ii, 137 pp.

Elimination of German Resources for War: Hearings before a Subcommittee of the Committee on Military Affairs, United States Senate, Seventy-ninth Congress, first session, pursuant to S.Res. 107 (78th Congress) and S.Res. 146 (79th Congress), authorizing a study of war mobilization problems; part 5. Testimony of Treasury Department, July 2, 1945. iv, 283 pp.

Amending Section 401 (a) of the Nationality Act of 1940 so as To Preserve the Nationality of Certain United States Citizens Who Have Been Unable To Return to the United States. H.Rept. 1035, 79th Cong., to accompany H.R. 4191. 3 pp. [Favorable report.]

Creating a Joint Committee To Study and Investigate the Control of the Atomic Bomb. H.Rept. 1036, 79th Cong., to accompany H.Con.Res. 83. 1 p.

Supplemental Estimates of Appropriations for the Department of State. H.Doc. 299, 79th Cong. 2 pp.

Facilitating Further the Disposition of Prizes Captured by the United States. S.Rept. 603, 79th Cong., to accompany S. 1420. 4 pp. [Favorable report.]

Publications

of the DEPARTMENT OF STATE

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., who is the authorized distributor of Government publications. To avoid delay, address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

★*Status of Countries in Relation to the War*, August 12, 1945. Compiled by Katharine Elizabeth Crane. Publication 2389. 13 pp. 10¢.

Supplementing a previous study by Dr. Crane, entitled *Status of Countries in Relation to the War*, April 22, 1944.

★*Air Transport Services: Agreement Between the United States of America and Ireland—* Effected by exchange of notes signed at Washington February 3, 1945. Executive Agreement Series 460. Publication 2375. 9 pp. 5¢.

An agreement between the two Governments to allow for air privileges in the territories under their jurisdiction, according to the standard form provided in the final act of the International Civil Aviation Conference signed at Chicago December 7, 1944.

★*Diplomatic List*, September 1945. Publication 2385. ii, 128 pp. Subscription, \$2 a year; single copy 20¢.

Monthly list of foreign diplomatic representatives in Washington, with their addresses, prepared by the Division of Protocol of the Department of State.

A cumulative list of the publications of the Department of State, from October 1, 1929 to July 1, 1945 (publication 2373) may be had from the Department of State.

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THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 329

OCTOBER 14, 1945

In this issue

WORLD COOPERATION FOR PEACE

Address by the President

MOBILIZATION FOR PEACE AND RECONSTRUCTION THROUGH THE UNITED NATIONS ORGANIZATION

Address by Edward R. Stettinius, Jr.

INTERNATIONAL BODIES FOR NARCOTICS CONTROL

By Philip M. Burnett

*For complete contents
see inside cover*



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THE DEPARTMENT OF STATE BULLETIN

Vol. XIII • No. 329 •

• PUBLICATION 2399



October 14, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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World Cooperation for Peace

Address by THE PRESIDENT ¹

JIM AHEARN, MY FRIENDS OF SOUTHEAST MISSOURI, NORTHEAST ARKANSAS, TENNESSEE, KENTUCKY, AND ILLINOIS: It is a pleasure to be here today. Once again I am your guest at the American Legion Fair. It is a customary procedure for me. This is no. 12. I came down here the first time, if I remember correctly, in 1934. At that time, I was the presiding judge of the County Court of Jackson County, and a candidate for United States Senator. The next time I came, I was the United States Senator from Missouri, and for nine times I came down here as the Senator from Missouri—because I like to come. I have almost as many friends in this part of the great State of Missouri as I have in Jackson County, and that is really saying something.

Last year I came as the candidate for Vice President of the United States. Mr. Roosevelt and myself were the candidates on the Democratic ticket. We won that election, as you know, and I settled down as President of the Senate and its presiding officer to happily enjoy a four-year term.

Then suddenly, like a bolt out of the blue, Mr. Roosevelt passed away—a great leader, a great humanitarian, the greatest of our war Presidents. And the greatest responsibility that ever has fallen to a human being in the history of the world fell to me.

In my first address to the Congress, after that happened, I explained to them that I had not sought that responsibility, nor had I sought the honor which goes with that responsibility. But I have been a public servant in one phase or another for the past 30 years, and I have never shirked a job. I shall not shirk this one.

I told the members of Congress and the Nation that if we were to be successful—and we will be,

undoubtedly—it would require the cooperation not only of the Congress but of the country as a whole for us to accomplish the things which Almighty God intended this great Nation to accomplish.

Just to rehearse for your benefit a few of the things that have happened since April 12, 1945—just about six months ago: The San Francisco conference was convened on the twenty-fifth day of April—just 13 days after I was sworn in as President of the United States. That conference was successful, and just about four months after it was convened the United States Senate approved the Charter of the United Nations by an overwhelming majority. There were only two Senators against it, and I never did understand why they were against it. At any rate, the United States entered on an entirely new development of its foreign policy.

Some three months after that, I went to Berlin to a meeting of the heads of the Governments of Russia, Great Britain, and the United States, in order to discuss the world outlook for the coming peace. The deliberations of that conference will be felt for generations in the final peace.

Just a little less than a month after I became President, that is, 26 days after I was inaugurated, the Axis powers in Europe folded up. On the twelfth day of August, Japan folded up. In the meantime, one of the most earth-shaking discoveries in the history of the world was made—the development of atomic energy was discovered. That discovery was used in the last war effort against Japan, and the effect of that atomic bomb is too terrible for contemplation. But we have only begun on the atomic-energy program. That great force, if properly used by this country of ours, and by the world at large, can become the greatest boon that humanity has ever had. It can create a world which, in my opinion, will be the happiest world that the sun has ever shone upon.

Now I am reminding you of all these things

¹Made at the Pemiscot County American Legion Fair in Caruthersville, Mo., on Oct. 7, 1945.

which have taken place in the last short six months to impress upon you the terrible responsibilities of the President of the United States. The President of the United States is your President. I am telling you just what his responsibilities are, because you are my friends and I think you understand—I think you understand the difficulties which I face.

Now it is just as necessary to have the cooperation of every branch and every member of every part of the Government of the United States, from the constable in this township to the President of the Senate. We must have that cooperation. We must go forward—we are going forward.

We understand that the road to peace is just as difficult and maybe more difficult than was the road to victory during the war. And the reason for that difficulty is that we all distinctly understand that after every war there is bound to be a let-down, there is bound to be a change of attitude, there are bound to be a great many of us who say, "Oh, well, I don't have to work any more. I don't have to take any interest in the welfare of my Government any more." We can't have that attitude. We must cooperate now as we never have before in the history of this country. We have the greatest production machine that the world has ever seen. We conclusively proved that free government is the most efficient government in every emergency. We conclusively proved that by our victories over Germany and Italy and Japan and their allies. In order to prove to the world that our reconversion program can be handled just as efficiently, and that our tremendous production machine can be operated for peace as well as for war, we must all get in and push.

That doesn't require anything in the world but plain understanding among ourselves. That requires the cooperation of management and labor and the farmers, and every storekeeper, and every man who has an interest in the Government of the United States. And by showing that we ourselves know where we are going and why, we can show the rest of the world the road to liberty and to peace. We are not anywhere near stalled on that road. We are only beginning to travel it.

We are going to have difficulties. You can't do anything worth while without difficulties. No man who ever accomplishes anything can expect to do it without making mistakes. The man who never does anything never makes any mistakes.

We may make mistakes. We may have difficulties, but I am asking you to exercise that admonition which you will find in the Gospels, and which Christ told us was the way to get along in the world: Do by your neighbor as you would be done by.

And that applies to you, and you, just as it applies to Great Britain and France and China and Russia and Czechoslovakia, and Poland and Brazil. When the nations decide that the welfare of the world is much more important than any individual gain which they themselves can make at the expense of another nation, then we can take this discovery which we have made and make this world the greatest place the sun has ever shone upon.

Now, in 1938, I stood on this platform right here and explained to you that our then isolationism would eventually lead to war. I made that speech after President Roosevelt made his speech at Chicago in 1937, in which he warned the world that we were approaching another world war.

We can't stand another global war. We can't ever have another war, unless it is total war, and that means the end of our civilization as we know it. We are not going to do that. We are going to accept that "golden rule", and we are going forward to meet our destiny which I think Almighty God intended us to have.

And we are going to be the leaders.

Thank you very much.

Appointment of Donald S. Russell as Assistant Secretary of State

[Released to the press October 12]

The Secretary of State announced on October 12 that Donald S. Russell, Assistant Secretary of State, has been assigned the duties of administration heretofore exercised by Frank McCarthy, whose resignation was accepted on October 11 by the President. Mr. Russell assumed his duties as Assistant Secretary of State on September 24, 1945.

Mobilization for Peace and Reconstruction Through the United Nations Organization

Address by EDWARD R. STETTINIUS, JR.¹

I AM HONORED to take part in this great meeting of men and women dedicated to the cause of the United Nations. I am particularly proud and happy to stand on this platform with my old friends and coworkers at the San Francisco conference, who contributed so much to its success—your distinguished Prime Minister, Mr. Clement Attlee, and the Right Honorable Anthony Eden—and with my new friend and colleague in the organizing work in which we are engaged here in London—your Minister of State, Mr. Noel-Baker.

I want also to pay special tribute to another of the distinguished speakers on this platform, Lord Robert Cecil, and to bring him a message from America. We in America who believed that Woodrow Wilson was right 26 years ago have always held high the name of Lord Robert Cecil, whose vision, like Wilson's, was clear when that of others was clouded.

Last time the United States failed to join the League, and other nations who did join failed to use the League as it should have been used. Now, after a war far more devastating and wide-spread than the last, we have made a new beginning in the Charter of the United Nations.

This time—and this is the message that I bring—this time the United States is in it, all the way in it, and in it to stay.

This time, also, the Soviet Union has joined actively in writing the Charter and in creating the Organization.

This time every member nation knows with certainty that if we do not build enough strength into the Organization to prevent another great war the end of civilization is at hand.

I do not suggest that the work which lies ahead of us will be easy. It will not be easy. The peacetime collaboration of the five great nations which are permanent members of the Security Council, and of the other United Nations, will necessarily be more difficult than was our wartime collabora-

tion. We seem to have a habit of forgetting one of the first lessons that every one of us learned as a child: how much easier and quicker it is to kick down a house of blocks than to build one. The construction of peace is far more difficult and takes far more time than the destruction of war.

Our discouragements and difficulties have already begun. We should not minimize them. But I do suggest that we try to keep matters in perspective.

As Lend-Lease Administrator from 1941 to 1943 I saw the United States, Great Britain, and the Soviet Union create the greatest system of combined war supply the world has ever seen. Later at Dumbarton Oaks, Yalta, and San Francisco, I have seen them building together firm foundations for the United Nations Organization. I believe that our three countries have proved beyond the shadow of any doubt that we can work successfully together, and with China, France, and the other United Nations, and that we can constantly extend the scope of our collaboration. As we extend its scope, our differences will inevitably grow in number but so will our experience in finding the means to resolve them and our confidence in each other.

There were many disagreements at San Francisco. They were resolved. The disagreements which arose at the Council of Foreign Ministers will also be resolved, and for the same reason, because it is in the vital national interest of each of the nations concerned that they be resolved.

The Council of Foreign Ministers is concerned with peace treaties. The United Nations Organization will be concerned with making peace permanent and with the tremendous task of reconstruction.

These tasks are urgent and progress may seem

¹ Delivered in London on Oct. 10, 1945. Mr. Stettinius is United States Representative on the Preparatory Commission of the United Nations now meeting in London.

slow, but I venture to suggest that we have done much better so far at organizing the peace than we did last time. First of all, the San Francisco conference was called before the end of the war in Europe. The Charter itself was completed before the end of the war with Japan. Today, only two months after the end of hostilities, 32 nations have acted to ratify the Charter and 11 of them have deposited their ratifications in Washington. As soon as 29 ratifications have been deposited the Charter will come into force. We may confidently expect that this will occur in the immediate future.

We shall then call together the full Preparatory Commission of 51 nations, and it will be followed, early in December, according to present plans, by the first meeting of the United Nations Assembly, which will take whatever action may be needed to insure that the United Nations will be ready to go to work in January, the first month of the first year of peace.

I can assure you that the United States Government regards it as of high importance that this plan be realized. The problems of collective security and of economic and social reconstruction that confront us will not wait. Attempts to meet these problems by expedients and half-way measures will inevitably be made so long as they cannot be dealt with through the Organization itself. A trend in that direction, once developed, will be difficult to stop and might have the most serious consequences.

In the field of security we need to begin upon the task of providing the Security Council with the force it needs to maintain peace. The first step is to establish the Military Staff Committee, which will be a peacetime Combined Chiefs of Staff of the five permanent members of the Security Council. In the field of economic recovery, international action is required to pump the lifeblood of peacetime trade back into the arteries of a world bled white by war.

In Europe and in Asia there is untold suffering, and there will be more this winter. Everywhere there are millions who look with despair upon the homes and factories tumbled in ruin about them. Their hearts will not be lifted up by words, nor their hopes by boundaries drawn upon a map. They need more than emergency relief, vital as that is. They need international action that will open the way to a future of productive work, of

decent living conditions, and of security. They need proof that the nations of the world can work together to build as well as to destroy, to prevent war as well as to make it. That action the United Nations must provide.

Last week the Executive Committee recommended placing the permanent headquarters of the United Nations in the United States. The United States has not sought this great honor and responsibility. The final decision is one which must be made by all the United Nations in the best interests of the Organization. But I do want to say this: If the recommendation of the Executive Committee is confirmed by the other United Nations and the Organization comes to the United States, that will not mean turning our back on Europe. Quite the contrary.

It is true that there are still isolationists in the United States. I find that there are isolationists of a sort in Britain, too, although they go by a different name. There are isolationists in Europe, and I am sure that the Soviet Union also has them. But I am also certain of another thing—isolationists of any breed today, though they may still appear to live and move and have their being, are in fact no more than vestigial remains of the pre-atomic age.

The United Nations must meet the needs of the whole world, and the needs of Europe are certainly among the most pressing. I have said before that the United States is in "for keeps" this time. Our interests are deeply involved in the peace and well-being of Europe, as they are in the peace and well-being of Asia, and we shall support our interests upon both continents, not in any sense for domination or advantage but in the spirit of the United Nations Charter and as active partners with our Allies in the cause of peace and security.

Before I close, may I add this personal word from the bottom of my heart. I have known and worked with the men of all parties who led you through the war, and I have seen England and its people at first-hand three times since that heroic summer of 1940 when you stood fast and saved the hope of ultimate victory. A nation capable of greatness such as yours can face the future with the highest pride and confidence.

Now that victory has come, there has been the inevitable let-down, the days of discouragement, for both our countries. There are strikes in America and tighter rations than ever over here. We

who owe so much to each other and have been joined in such great and heroic enterprises must now listen to discordant voices on both sides of the Atlantic sniping at each other in the sharp and shallow words of little men.

But I know that the real people in America believe in you, just as I hope and believe that the real people in England believe in us.

These are the hours of mobilization for peace and for reconstruction. As partners together and with the other United Nations—helping each other—let us act in the faith and brotherhood of those brave men whose blood was spent and mingled on battlefields round the world to give us this chance to build a peace worthy of their sacrifice.

Far Eastern Advisory Commission

TERMS OF REFERENCE¹

[Released to the press October 10]

I. *Establishment*

The Governments of the _____ hereby establish a Far Eastern Advisory Commission composed of representatives of the Participating Powers.

II. *Functions*

A. The Far Eastern Advisory Commission shall be responsible for making recommendations to the participating Governments:

1. On the formulation of policies, principles and standards by which the fulfillment by Japan of its obligations under the instrument of surrender may be determined;
2. On the steps necessary and on the machinery required to ensure the strict compliance by Japan with the provisions of the instrument of surrender;
3. On such other matters as may be assigned to it by agreement of the participating Governments.

B. The Commission shall not make recommendations with regard to the conduct of military operations nor with regard to territorial adjustments.

III. *Other Methods of Consultation*

The establishment of the Commission shall not preclude the use of other methods of consultation on Far Eastern issues by the participating Governments.

IV. *Composition*

The Far Eastern Advisory Commission shall consist of one representative of each of the states party to this agreement. The membership of the Commission may be increased, as conditions war-

rant, by the addition of representatives of other United Nations in the Far East or having territories therein. Such United Nations *as are* not members of the Commission shall be invited to sit with the Commission when matters deemed by the Commission primarily to affect the interests of such nations are under consideration. In addition, the Commission shall provide for full and adequate consultations, as occasion may require, with representatives of the United Nations not members of the Commission, in regard to matters before the Commission which are of particular concern to such nations.

V. *Location and Organization*

The Far Eastern Advisory Commission shall have its headquarters in Washington. It may meet at other places as the occasion requires.

Each representative of the Commission may be accompanied by an appropriate staff comprising both civilian and military representation.

The Commission shall organize its secretariat, appoint such committees as may be deemed advisable, and otherwise perfect its organization and procedure.

VI. *Termination*

The Far Eastern Advisory Commission shall cease to function upon notification by one of the Four Allied Powers, the United States, the United Kingdom, China and the Soviet Union, of its desire to terminate the agreement creating the

(Continued on page 580)

¹ Transmitted by the Government of the United States on Aug. 21 to the Governments of China, Great Britain, and the Union of Soviet Socialist Republics. See BULLETIN of Oct. 7, 1945, p. 545.

United Nations Headquarters

DISCUSSION ON SELECTION OF SEAT

[Released to the press by the Preparatory Commission of the United Nations September 29]

The selection of a seat for the permanent headquarters of the United Nations was discussed for the first time on September 29 by the Executive Committee of the Preparatory Commission of the United Nations at a meeting held at Church House, Westminster, under the chairmanship of Mr. Gromyko, Union of Soviet Socialist Republics.

Submitting a report by Committee 10, which has prepared recommendations on the principles which should govern the choice of the location of the United Nations headquarters, M. N. Entezam (Iran), chairman of that committee, made the following points: The Committee recommends, with certain exceptions, the adoption of the principle of centralization according to which the permanent seat of the United Nations' principal and subsidiary organs, and of the specialized agencies related to the United Nations, should be concentrated in one place.

The second point, whether the seat of the United Nations should be in national territory or in internationalized territory, was considered by the committee in its various aspects, but no decision was taken, as it was not known whether any nation would be prepared to agree to the internationalization of part of its territory. Thirdly, since the committee's terms of reference did not call for the recommendation of a specific site for the United Nations, the committee confined its activities to certain criteria which should govern the choice of the site. Some of these criteria are: Political conditions in the host state, and the general character of the press and public opinion therein, should be in harmony with the spirit of the Preamble and of article 1 of the Charter. The United Nations should be so situated as to be free from any attempt at improper political control or the exercise of undesirable local influence. The site should be easily accessible and possess adequate and satisfactory means of travel and communication. It is desirable that the site should enjoy favorable climatic conditions, that the local population should speak one or the other of the working

languages of the United Nations (English or French), that there should be sufficient facilities for the establishment of the necessary offices of the United Nations.

Mr. Noel-Baker (Great Britain) drew attention to the great importance of that part of the report dealing with the necessary freedom in the exercise of United Nations functions, diplomatic immunities and privileges, et cetera. Certain instances of friction had occurred in the past, Mr. Noel-Baker said, and it was absolutely essential that complete freedom of action for the officials of the United Nations should be guaranteed. Safeguards for the freedom of expression of opinion and movement must also be set out with the greatest emphasis. Mr. Noel-Baker hoped that it might be possible to make arrangements for an international passport for officials of the United Nations.

Mr. Massigli (France) expressed himself in full agreement with Mr. Noel-Baker and urged that the report should expressly state that such immunities and facilities must be granted in all circumstances to the United Nations staff and press.

Mr. Entezam (Iran) observed that Committee 10 had provided in the draft under discussion for the work of the press to be facilitated by special arrangements for visas and absence of censorship.

Mr. Pelt (Netherlands) pointed out that the term "representatives of the press" should include radio and films. Mr. Pelt also mentioned the possibility of indirect censorship which may result from insufficient means of communication. Arrangements should be made to secure for the United Nations and the foreign delegations to it the right to use couriers, diplomatic pouches, and codes in their communications.

Considering the possibility of an autonomous international zone, Mr. Noel-Baker expressed himself in favor of an internationalized territory and suggested that such a possibility should be kept in view.

Mr. Massigli was of the opinion that the United Nations need not necessarily have its seat in an English- or French-speaking country, but this view was opposed on practical grounds by

Mr. Noel-Baker and Mr. Pelt, who pointed out that the work of the Organization would be greatly facilitated and the efficiency of the staff increased if the working language were understood by the local population.

Mr. Pelt also urged that a radio station and an airport should be at the disposal of the United Nations Organization.

It was generally agreed that the principal organs of the United Nations (except the International Court of Justice, which would be at The Hague) should be established in one place, with the exception that any subsidiary organ or specialized agency might have its seat elsewhere whenever strong reasons made this advisable.

The report submitted to the Executive Committee by Committee 10 was approved with certain corrections to be drafted by the Executive Secretary.

VOTE FOR LOCATION IN THE UNITED STATES

[Released to the press by the Preparatory Commission of the United Nations October 3]

Statement issued by M. Gromyko, Chairman of the Executive Committee of the Preparatory Commission of the United Nations:

The Executive Committee met this afternoon for four and a half hours in executive session in order to discuss the question of the permanent headquarters of the United Nations.

Various views were expressed and finally two votes were taken.

The first was on the question whether the permanent headquarters of the United Nations should be situated in the United States of America. This was approved by nine votes to three with two abstentions. Those who voted in favor were: Australia, Brazil, Chile, China, Czechoslovakia, Iran, Mexico, the U.S.S.R., and Yugoslavia.

Those who voted against were: France, the Netherlands, and the United Kingdom.

Canada and United States of America abstained.

The chairman then put a second question, namely: Should the permanent headquarters of the United Nations be situated in Europe?

This proposal was rejected by seven votes to three with four abstentions.

France, the Netherlands, and the United Kingdom voted in favor.

Australia, Brazil, Chile, China, Czechoslovakia, the U.S.S.R., and Yugoslavia voted against; and Canada, Iran, Mexico, and the United States of America abstained.

A full record of the discussion will be issued to the press in due time.

Monetary Agreement

United Kingdom-Denmark

The American Ambassador at London has transmitted to the Secretary of State British Command Paper 6671 containing the text of a monetary agreement between the United Kingdom and Denmark signed at London August 16, 1945. The agreement, which entered into force August 20 and is for five years' duration but can be terminated on three months' notice, provides a mechanism for payments between Denmark and the sterling area.

Under the agreement the rate of exchange between the Danish krone and the pound sterling is set at 19.34=£1, and provision is made for the stabilization of this new official rate.

An important feature of the agreement concerns sales of kroner against pounds and pounds against kroner by the Danmarks Nationalbank and the Bank of England respectively. Through these institutions, the two countries propose to furnish each other with supplies of their respective currencies as needed for permitted payments between residents of the sterling area and Denmark. The Bank of England at its option may reduce the sterling account of the Danmarks Nationalbank through payment of an equivalent amount of gold or Danish currency. Likewise, the Danmarks Nationalbank may reduce the kroner account of the Bank of England for an equivalent payment in gold or sterling.

Denmark and Great Britain undertake to cooperate in assisting each other in keeping capital transactions within the bounds of their national policies, particularly with a view to preventing capital transfers which do not serve desirable economic or commercial purposes.

The monetary agreement provides that it will be reconsidered with a view to consistency with any general international monetary agreement to which either government may adhere.

Communiqués Issued by Council of Foreign Ministers

Second Meeting

[Communiqué released to the press by the Council of Foreign Ministers, London, September 12]

The Council of Foreign Ministers held its second meeting¹ at 4 p. m. and adjourned at 6:30. Owing to the number of documents which have to be translated and studied it was decided to meet next at 11 o'clock on Friday instead of tomorrow as planned.

Regarding Italy and Joint Secretariat

[Communiqué released to the press by the Council of Foreign Ministers, London, September 14]

The Council of Foreign Ministers held two sessions today, September 14, 1945. The morning session was presided over by the Chinese Minister for Foreign Affairs, Dr. Wang Shih-Chieh, and afternoon session by the United States Secretary of State, Mr. James F. Byrnes. The next meeting of the Council will take place tomorrow at 3 p. m. The Council began its discussion of terms for a peace settlement with Italy. It was agreed that all United Nations at war with Italy would be invited to submit, if they wished, their views in writing on this subject. It was also decided that the President of the session, Dr. Wang Shih-Chieh, should extend on behalf of the Council invitations to Yugoslavia, Italy, Australia, Canada, India, New Zealand and South Africa, each to nominate a representative, if they so desired, to attend the meeting of Foreign Ministers to be held on Monday, 17th, to express the views of their governments on the question of the Yugoslav-Italian frontier.

The Council today approved the recommendations of the deputies in regard to a Joint Secretariat as follows:

(1) A Joint Secretariat shall be established consisting of the secretaries of the five delegations. The Joint Secretariat shall include the necessary number of officials drawn from the five delegations, the numbers required being established by agreement between the secretaries of delegations.

(2) The Secretary General of the Joint Secretariat is appointed by agreement between the

secretaries of the delegations. Mr. Norman Brook has been appointed Secretary General for the period of the present visit of Foreign Ministers.

(3) The Joint Secretariat will organize the technical handling of all the documents of the Council. It will be responsible for reproducing in a numbered series all documents submitted by delegations for consideration by the Council and circulating copies to all delegations. These documents will be reproduced in English, Russian, French and, where necessary, Chinese, and the Joint Secretariat will be responsible for arranging for translations to be made.

(4) The Joint Secretariat will make arrangements for meetings. It will make any changes desired in the times of the regular meetings of Foreign Ministers and of deputies and it will also assist in arranging such other meetings as may be required. The Joint Secretariat will also issue agenda papers for meetings whenever it is possible to give notice in advance of the questions to be discussed.

(5) As regards the recording of meetings, the Secretary General will prepare a full summary of the proceedings at meetings of both Foreign Ministers and deputies. He will submit these summaries in draft to a meeting which he will hold each evening with the other members of the Joint Secretariat, who will thus have an opportunity to offer comments and corrections. The summaries will then be circulated to delegations by 8 a. m. on the morning following the meetings to which they relate, not as agreed records carrying the full approval of all delegations, but as informal summaries issued primarily on the responsibility of the Secretary General, but after consultation with a member of each delegation. A definitive version of this summary will be issued later after the receipt of any corrections from delegations. The summaries will be discussed with all members of the Joint Secretariat on the basis of an English text. Translations into Russian and French will then be put in hand at once and these should be available during the course of the fol-

¹ For communiqué of the opening session see BULLETIN of Sept. 16, 1945, p. 392.

lowing morning. It is recommended that this system be tried on an experimental basis subject to review in the light of experience.

(6) The Joint Secretariat will also make itself responsible for securing in consultation with the delegations a fully agreed statement of conclusions reached by the Council as the work of the Council proceeds. By this means the Joint Secretariat will build up from day to day a body of agreed conclusions which will greatly facilitate the preparation of an agreed protocol and communiqué at the conclusion of the Foreign Ministers' visit.

Views on Italian Peace Settlement

[Communiqué released to the press by the Council of Foreign Ministers, London, September 15]

The Council of Foreign Ministers this afternoon held its fifth meeting with the French Minister of Foreign Affairs Mr. Bidault presiding. The next meeting of the Council will be held at 11 o'clock on Monday morning. The Council agreed to add the names of Poland, Ukraine and Bielo Russia to the list of countries invited to submit their views in writing if they wished to do so on the Italian peace settlement. The greater part of the last two meetings of the Council has been devoted to consideration of the question of the Italian Colonies. It was decided today to refer this question to the deputies for detailed study making the fullest possible use of the plan proposed by the United States Delegation and taking into account the views expressed by the other delegations. The deputies were asked to submit their recommendations two weeks before the date to be agreed later of the second session of the Council.

Views on Yugoslav-Italian Frontier

[Communiqué released to the press by the Council of Foreign Ministers, London, September 17]

The Council of Foreign Ministers held two meetings today (Monday). Mr. Ernest Bevin presided in the morning and Mr. Molotov in the afternoon.

The Council had arranged to hear the views of the Yugoslav, British Dominion and Italian Governments on the subject of the Yugoslav-Italian frontier. Dr. H. V. Evatt, Minister of External Affairs for Australia, Dr. R. M. Campbell, Acting High Commissioner for New Zealand, and Mr. G. Heaton Nicholls, High Commissioner for the

Union of South Africa, attended to represent their respective government for this purpose. The chairman, however, announced the receipt of a letter from the Yugoslav Delegation informing the Council that they had only just reached London and that their leader Dr. Kardelj, the Yugoslav Vice Premier, was indisposed.

The Council thereupon decided to postpone until tomorrow morning the hearing of views from the invited governments upon the Italo-Yugoslav frontier question and continue its consideration of the directive which will guide deputies in their preparation of a draft peace treaty with Italy. This draft is to be submitted to the Council at its second session.

[Communiqué released to the press by the Council of Foreign Ministers, London, September 18]

At the morning meeting of the Council of Foreign Ministers over which the Chinese Minister for Foreign Affairs Dr. Wang Shih-Chieh presided, the views of the Yugoslav Government upon the question of the Italo-Yugoslav frontier were presented by Dr. Kardelj, the Yugoslav Vice Premier. The United States Secretary of State Mr. James F. Byrnes presided over the afternoon meeting when Dr. Kardelj concluded his statement and Count de Gasperi, the Italian Foreign Minister, presented the views of his government. It was decided to hold a further meeting later in the evening to hear the view of the British Dominion representatives.

[Communiqué released to the press by the Council of Foreign Ministers, London, September 19]

The Council of Foreign Ministers met twice today. Mr. Ernest Bevin presided in the morning and Mr. Molotov in the afternoon. Both meetings were devoted to further examination of the terms of the peace treaty for Italy. The Council agreed that the deputies should consider and report on the problem of the Yugoslav-Italian frontier and Trieste with the following terms of reference:

(A) To report on the line which will in the main be the ethnic line leaving a minimum under alien rule on the understanding that appropriate investigations will be carried out on the spot before the final delineation of the frontier;

(B) To report on an international regime which will assure that the port and transit facilities of

Trieste will be available for use on equal terms by all international trade and by Yugoslavia, Italy and the states of central Europe as is customary in other free ports of the world.

The Council will meet next at 11 o'clock tomorrow morning.

Consideration of Peace Treaties With Finland and Rumania

[Communiqué released to the press by the Council of Foreign Ministers, London, September 20]

The Council of Foreign Ministers met twice today, Thursday September 20. The Chinese Minister for Foreign Affairs Wang Shih-Chieh presided at the morning meeting and the United States Secretary of State Mr. James F. Byrnes at the afternoon meeting. The Council devoted both meetings to consideration of the general principles of peace treaties with Finland and Rumania taking the Soviet proposals as a basis for discussion. The British Delegation also submitted proposals in regard to both treaties and the United States in regard to the treaty with Rumania. The next meeting of the Council will be at 11 o'clock tomorrow.

[Communiqué released to the press by the Council of Foreign Ministers, London, September 21]

The Council of Foreign Ministers met twice today with Mr. Bidault the Foreign Minister of France presiding in the morning and Mr. Bevin the Foreign Minister of Great Britain presiding in the afternoon. In the morning the Council continued its discussion of the draft peace treaty with Rumania. In the afternoon it turned to the consideration of a draft peace treaty with Bulgaria taking for its discussion the Soviet memorandum as a basis and examining at the same time the British and United States proposals. The Council will meet next tomorrow morning at 11 o'clock.

Discussion of Items on the Agenda

[Communiqué released to the press by the Council of Foreign Ministers, London, September 22]

The Council of Foreign Ministers met this afternoon Mr. Molotov presiding and continued its discussion of items on the agenda. The next meeting will take place at 11 o'clock on Monday morning.

Discussion on Austria, Inland Waterways, and Repatriation of Soviet Nationals

[Communiqué released to the press by the Council of Foreign Ministers, London, September 24]

The Council of Foreign Ministers today held two meetings, Dr. Wang presiding in the morning and Mr. Byrnes in the afternoon. The questions discussed by the Council were long-term supply arrangements for Austria, a proposal for an emergency regime for European inland waterways and the acceleration of the repatriation of Soviet nationals. The next meeting of the Council will be held tomorrow at 11 o'clock.

[Communiqué released to the press by the Council of Foreign Ministers, London, September 25]

The Council of Foreign Ministers met twice today Mr. Bidault presiding in the morning and Mr. Bevin in the afternoon.

The Council continued its consideration of the memorandum by the Soviet Delegation on the acceleration of the repatriation of Soviet nationals and the repatriation of French nationals from the areas under the control of the Soviet Government. The Council also examined proposals put forward by the Soviet Delegation for expediting the work of the Reparations Commission. A French memorandum on restitution was also discussed.

The next meeting of the Council will be held at 11 o'clock tomorrow morning.

Discussion on Restitution and Control and Administration of Germany

[Communiqué released to the press by the Council of Foreign Ministers, London, September 26]

The Council of Foreign Ministers held two meetings today, Mr. Molotov presiding in the morning and Dr. Wang in the afternoon. The Council in the morning discussed the French memorandum on restitution. In the afternoon the Council began examination of a memorandum by the French Delegation on the control and administration of Germany. It was agreed to resume this discussion at a future meeting of the present session.

The Council will meet next tomorrow afternoon.

[Communiqué released to the press by the Council of Foreign Ministers, London, September 27]

The Council of Foreign Ministers met this afternoon, Mr. Byrnes presiding.

The Council continued its discussion of the French memorandum on the restitution of Allied property stolen by the Germans.

The next meeting will take place tomorrow morning at 11:30.

[Communiqué released to the press by the Council of Foreign Ministers, London, September 28]

The Council of Foreign Ministers held two meetings today, Mr. Bidault presiding in the morning and Mr. Bevin in the afternoon.

The Council again discussed the French memorandum on control and administration of Germany and reviewed a report by the deputies on items on the agenda which at previous meetings the Council had agreed to defer for further examination.

The next meeting of the Council will be held tomorrow morning at 11:30.

Examination of Protocols

[Communiqué released to the press by the Council of Foreign Ministers, London, September 29]

The Council of Foreign Ministers met twice today, Mr. Molotov presiding in the morning and Dr. Wang in the afternoon. Both meetings were devoted to examination of the protocols of the present session of the Council. The next meeting will take place tomorrow afternoon at 3 o'clock.

[Communiqué released to the press by the Council of Foreign Ministers, London, October 2]

The Council of Foreign Ministers met Monday night, Mr. Bevin presiding. The Council adjourned until 11 o'clock Tuesday morning.

Termination of Session

[Communiqué released to the press by the Council of Foreign Ministers, London, October 2]

The Council of Foreign Ministers met twice today, Mr. Molotov presiding in the morning and Dr. Wang in the afternoon. At the second meeting the Council decided to terminate its present session.

Visit of President Ríos of Chile

PROGRAM OF VISIT IN THE UNITED STATES

[Released to the press October 6]

MEMBERS OF THE PARTY

His Excellency Juan Antonio Ríos, President of Chile.
 The Hon. Eleodoro Domínguez, Senator.
 The Hon. Raúl Brañes, Deputy.
 The Hon. Benjamin Claro-Velasco, former Minister of Education.
 Col. Ernesto Wurth-Rojas, Military Aide to the President.
 Señor Abraham Valenzuela, Personal Secretary of the President.
 Lieutenant Carlos Ríos, son of the President.

His Excellency Marcial Mora, Ambassador of Chile to the United States.
 Embassy Secretary.

The Hon. Claude G. Bowers, American Ambassador to Chile.
 Brig. Gen. Milton A. Hill, American Military Aide.
 Capt. G. F. M. Mentz, American Naval Aide.
 Mr. Edward Nash, Department of State.
 Mr. George Newkirk, Department of State.

TUESDAY, OCTOBER 9

p. m. Arrive Miami by Pan American Airways.
 Roney Plaza Hotel, Miami Beach.

WEDNESDAY, OCTOBER 10

8:15 a. m. Depart Miami for Washington by train.

THURSDAY, OCTOBER 11

4:40 a. m. Arrive Richmond, Va.
 Luncheon.
 Proceed by automobile from Richmond to Washington.
 4:30 p. m. Arrive White House, Washington. Military Honors.
 8 p. m. Dinner at the White House.

FRIDAY, OCTOBER 12

9 a. m. Leave White House for Blair House.
 11 a. m. Press conference at the Chilean Embassy.
 1 p. m. Special meeting of the Board of Directors, Pan American Union, followed by a luncheon in honor of President Ríos.
 8 p. m. Dinner in honor of President Ríos given by the Secretary of State at the Mayflower Hotel.

SATURDAY, OCTOBER 13

9:30 a. m. Visit to Mount Vernon and Arlington National Cemetery.
 1 p. m. Visit to the Capitol.
 7:30 p. m. Dinner at the Blair House (private).
 9 p. m. Reception given by President Ríos at the Chilean Embassy.

SUNDAY, OCTOBER 14

11:15 a. m. National Archives.
 1 p. m. Luncheon (private).
 3:30 p. m. Visit to Beltsville Research Center with the Secretary of Commerce, Henry A. Wallace, and the Secretary of Agriculture, Clinton P. Anderson.
 7:30 p. m. Dinner (private).

MONDAY, OCTOBER 15

9:55 a. m. Depart from Washington for New York City by train.
 1:45 p. m. Arrive New York City. Reception committee headed by Mayor LaGuardia. The President will stay at the Waldorf-Astoria Hotel.
 7:30 p. m. Reception and dinner given by the Pan American Society and the Chile-American Association at the Waldorf-Astoria Hotel.

TUESDAY, OCTOBER 16

11 a. m. Press conference at the Waldorf-Astoria Hotel.
 1 p. m. Luncheon offered by T. J. Watson at the Union Club, Sixty-ninth Street and Park Avenue.
 6-8 p. m. Reception offered by the Chilean Colony at the Park Lane Hotel.
 8:30 p. m. Dinner (private).

WEDNESDAY, OCTOBER 17

8 a. m. Visit to Hyde Park and West Point.
 1 p. m. Luncheon at the Military Academy, West Point.
 6 p. m. Return to the Waldorf-Astoria Hotel.
 7 p. m. Dinner at the Biltmore Hotel (to be arranged).

THURSDAY, OCTOBER 18

a. m. Open.
 1 p. m. Luncheon given by Col. Sosthenes Behn at 67 Broad.
 3:30 p. m. Visit to Columbia University.
 7:30 p. m. Dinner given by Gordon S. Rentschler, chairman of the Board of the National City Bank of New York, at the River Club.

FRIDAY, OCTOBER 19

- 10 a. m. Depart from New York to Philadelphia by train.
- 11:32 a. m. Arrive Philadelphia (Thirtieth Street Station).
- 12 noon Visit Independence Hall.
- 1 p. m. Luncheon given by the Commandant of the Navy Yard.
- 4:30 p. m. Tea and reception at the home of Dr. and Mrs. George Woodward, Chestnut Hill.
- 7:04 p. m. Leave Philadelphia (Thirtieth Street Station) for New York.
- 8:40 p. m. Arrive New York.
- 9 p. m. Dinner (private).

SATURDAY, OCTOBER 20

- 11 a. m. Reception at City Hall by Mayor LaGuardia.
- 1 p. m. Luncheon given by Mayor LaGuardia at the Rainbow Room.
- 3:30 p. m. Leave for Tarrytown, N. Y., country home of Nelson A. Rockefeller.

SUNDAY, OCTOBER 21

- 11:30 a. m. Leave Tarrytown for Long Island to the country home of W. R. Grace, president of Grace Line.
- 1 p. m. Luncheon at the home of Mr. Grace.
- 6 p. m. Return to the Waldorf-Astoria Hotel.
- p. m. Dinner (private).

MONDAY, OCTOBER 22

- Noon Luncheon (private).
- 3 p. m. Depart for Ottawa by plane.
- 6 p. m. Arrive Ottawa.

TUESDAY, OCTOBER 23

Ottawa.

WEDNESDAY, OCTOBER 24

Montreal.

THURSDAY, OCTOBER 25

- Depart from Montreal for Chicago.
- 3 p. m. Arrive Chicago. President Ríos will stay at the Blackstone Hotel.

FRIDAY, OCTOBER 26

- 6 p. m. Depart from Chicago for San Francisco by train.

SUNDAY, OCTOBER 28

- 9:50 a. m. Arrive San Francisco. President Ríos will stay at the Mark Hopkins Hotel.

TUESDAY, OCTOBER 30

- 11 a. m. Press conference.
- 5:30-7:30 p. m. Reception given by President Ríos.
- 9 p. m. Depart from San Francisco for Los Angeles by train.

WEDNESDAY, OCTOBER 31

- 9 a. m. Arrive Los Angeles. President Ríos will stay at the Town House.
- 1 p. m. Luncheon (private).
- 8 p. m. Dinner in honor of President Ríos given by the Mayor of Los Angeles.

THURSDAY, NOVEMBER 1

- 9 a. m. Depart from Los Angeles by plane for Mexico.

ADDRESS OF WELCOME

BY THE SECRETARY OF STATE¹

[Released to the press by the Pan American Union October 12]

MR. PRESIDENT: It is with great pleasure that I extend to you on behalf of the Governing Board of the Pan American Union the warmest possible welcome. We are fully acquainted with the important service which you have rendered and are today rendering to the people of Chile. Your career has been marked by a constant and unswerving devotion to the welfare of the masses of the people of your country. The advanced position which you have taken in the field of social security and social legislation has set a standard which has had far-reaching influence beyond the borders of your country. The people of Chile may well congratulate themselves on having as Chief Executive a man in whose administration the interests of the masses of the people receive primary consideration and whose sincere concern for their welfare has increased the opportunities available to the average citizen.

In the domain of inter-American relations, the record of Chile is one of which you have every reason to feel proud. The Government and the people have from the earliest period of their national existence shown a deep sense of continental solidarity, which has found expression in cooperation with their sister republics of the Americas and contributed much to strengthening the pan-American movement. Your representatives on this Board have been unremitting in their efforts to further the purposes for which the Pan American Union was founded.

We welcome you today, Mr. President, as the worthy representative of a great people and as a staunch supporter of the principles on which this Union of the American republics rests.

¹ Made at a special session of the Governing Board of the Pan American Union held in honor of the President of Chile, Juan Antonio Ríos, on Oct. 12, 1945. The Secretary of State is Chairman of the Governing Board.

International Bodies For Narcotics Control

BY PHILIP M. BURNETT¹

THE HAGUE CONVENTION of 1912 represented the first formal step into the field of international narcotic-drug control.² The convention provided that the participating states should institute certain measures for controlling drugs within their own territories and it laid down a number of general principles which remain as the foundation of all subsequent work in this field. The convention was brought into force in 1915 by a few countries which, having deposited their instruments of ratification, signed a protocol to bring the convention into effect. With respect to a large number of countries, the convention came into force only by virtue of the fact that ratification of the Treaty of Versailles (art. 295) or of certain other treaties of peace concluded at the end of World War I was "deemed in all respects equivalent" to ratification of the convention.

Under article 23 (c) of the Covenant of the League of Nations, the members of the League agreed to "entrust the League with the general supervision over the execution of agreements with regard to . . . the traffic in opium and other dangerous drugs".

The First Assembly of the League created the Advisory Committee on the Traffic in Opium and Other Dangerous Drugs to secure the fullest possible cooperation between the various countries in regard to narcotics control and to assist and advise the Council in dealing with any questions relating thereto.

The Geneva convention of 1925 strengthened the Hague convention and instituted further control over the international trade in narcotics by establishing a system of import certificates and export authorizations and by entrusting supervision over such trade to the Permanent Central Opium

Board, the composition and functions of which were set forth in the convention.

The convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs (Geneva, 1931)³ advanced the area of control by limiting the world manufacture of narcotic drugs to the world's medical and scientific needs and by limiting in each country the accumulation of stocks of such drugs. In both cases, the limitation was to be accomplished by means of a system of government estimates of annual drug requirements which should be examined by an international Supervisory Body provided for in the convention and which should thereafter be binding upon the estimating governments.

The Convention for the Suppression of the Illicit Traffic in Dangerous Drugs (Geneva, 1936) aimed at the standardization of penalties for illicit trafficking and at the international extradition of those guilty of drug offenses. This instrument came into force only in October 1939, as between 10 states. Since that time it has become effective with respect to 3 additional states.

Taken together, these conventions form an interdependent system that has steadily increased the effectiveness of international control over narcotic drugs.

The Hague convention of 1912 was in force (July 1945) with respect to some 60 states, not including the following: Argentina, Ethiopia,

¹Mr. Burnett is an officer in the Division of International Organization Affairs, Office of Special Political Affairs, Department of State. The sections on budget and finance and on United States membership were prepared in collaboration with Lyle L. Schmitter of the Division of International Conferences, Office of Departmental Administration, Department of State.

²Treaty Series 612.

³Treaty Series 863.

Iran, Lithuania, and the Union of Soviet Socialist Republics.

The Geneva convention of 1925 had been ratified or adhered to (July 1945) by some 54 states, which did not include the following: Afghanistan, Albania, Argentina, China, Ethiopia, Guatemala, Iceland, Iran, Liberia, Mexico, Nicaragua, Panama, Peru, Saudi Arabia, and the United States of America.

The limitation convention of 1931 had been ratified or adhered to (July 1945) by 64 states, which did not include the following: Argentina, Bolivia, Ethiopia, Iceland, Liberia, and Yugoslavia.

The 1936 convention had been ratified or adhered to (July 1945) by Belgium, Brazil, Canada, China, Colombia (ratification approved but not deposited), Egypt, France, Greece, Guatemala, Haiti, India, Rumania, and Turkey.

The Supervisory Body has as its primary responsibility the examination of the estimates that are submitted each year to the Permanent Central Opium Board by each government that is a party to the limitation convention of 1931. These are estimates of the annual requirements for medical and scientific needs within the territory of the government concerned, together with the quantity required for the establishment and maintenance of government stocks. If countries or territories to which the 1931 convention does not apply do not furnish estimates, the Supervisory Body, so far as possible, makes the estimates. The purpose of the examination by the Supervisory Body is to insure, so far as possible, against any overestimation that would swell the totals beyond the world's legitimate requirements and thereby permit an excess of production that would tend to find its way into the illicit traffic. The Supervisory Body may request from the governments further information; it may amend estimates, however, only with the consent of the governments concerned. Its suggestions to governments have generally been accepted, and it has a final power, when it circulates the estimates, of adding its own observations and comments upon the figures submitted. The quantities thus established become the basis for the upper limit of the quantities that may be manufactured annually in the several countries. The Supervisory Body publishes an annual statement entitled "Estimated World Requirements of Dangerous Drugs".⁴

The Permanent Central Opium Board receives

from the governments that are parties to the Geneva convention of 1925 statistical returns relating to the production, manufacture, consumption, stocks, import, and export of the raw materials or narcotic drugs covered by the convention. Under article 24 of the convention, the Board "shall continuously watch the course of the international trade," with a view to discovering whether "excessive quantities of any substance covered by the present Convention are accumulating in any country," or whether "there is a danger of that country becoming a centre of the illicit traffic." If the Board finds that either of these situations is developing, it may set in motion a procedure laid down in article 24, which includes asking for explanations, reporting these explanations to the parties to the convention and to the Council of the League, and recommending to the parties a temporary cessation of exports of narcotic substances to the country in question. Under article 14 of the limitation convention of 1931, the Board watches the exports to and imports from the several countries, including those not parties to the convention, and, if it finds that any country has obtained or will obtain through international trade quantities of drugs sufficient to exceed its estimates, the Board then immediately notifies the parties to the convention, which are thereupon bound not to authorize any new exports to the country in question. The Permanent Central Opium Board publishes annual reports to the Council.⁵

The Advisory Committee on the Traffic in Opium and Other Dangerous Drugs, established by the Assembly in 1920, has from the outset materially influenced the shaping of policy, either through the undertaking or initiation of studies or through the guidance of preparations for new conventions. It has also supervised the general application of the drug conventions, especially through the standardization of governmental reporting.

Both the Assembly and Council of the League of Nations have important functions in the system of international narcotic control, which are derived from the terms of article 23 (c) of the Covenant. The functions of the Assembly include the making of decisions or recommenda-

⁴ Copies are available at the Columbia University Press, International Document Service, 2960 Broadway, New York, N. Y.

⁵ Not printed for years of 1941 and 1942.

tions relating to the work of the Advisory Committee on the Traffic in Opium and Other Dangerous Drugs and, through its budgetary powers, the providing for the financial support of the various drug bodies. The Council, like the Assembly, exercises a general and political supervision over the opium work of the League, but it also has certain executive functions. The Council requests the Advisory Committee to undertake studies, prepare international conventions, and make recommendations. The reports of the Committee and those of the Permanent Central Opium Board are submitted to the Council. Since the Advisory Committee is an organ advisory to the Council, all decisions taken by the Committee require the approval of the Council. The Council also has certain specific powers under the 1925 convention: Appointment of the members of the Permanent Central Opium Board; the taking of remedial measures under article 24; and the making of certain formal notifications.

The Drug Control Service of the Secretariat of the League of Nations assists the Secretary-General of the League in the performance of the following functions that have been entrusted to him under the several conventions: The making of certain required notifications; the control of the staff of the Permanent Central Opium Board in administrative matters and the appointment of the secretary and staff of the Board on the nomination of the Board and subject to the approval of the Council; the providing of the secretariat for the Supervisory Body; and the insuring of close collaboration between the Body and the Permanent Central Opium Board.

The Supervisory Body, under the terms of article 5 of the limitation convention of 1931, is composed of four members who are appointed, one each, by the following bodies: The Opium Advisory Committee; the Permanent Central Opium Board; the Health Committee of the League of Nations; and the International Office of Public Health. The secretariat of the Supervisory Body is provided by the Secretary-General of the League, who insures close collaboration with the Permanent Central Opium Board. The two opium bodies have chosen as members of the Supervisory Body persons with general and administrative experience; the other two bodies have chosen medical and health experts. The members are appointed in their personal capacities and do not represent the appointing bodies. The appointments have

been made, by the common consent of the appointing bodies, for terms of three years.

The Permanent Central Opium Board, under article 19 of the Geneva convention of 1925, is appointed by the Council of the League of Nations and consists of "eight persons who, by their technical competence, impartiality and disinterestedness, will command general confidence." The United States and Germany were to be "invited each to nominate one person to participate in these appointments." Consideration is to be given "to the importance of including on the Central Board, in equitable proportion, persons possessing a knowledge of the drug situation, both in the producing and manufacturing countries on the one hand and in the consuming countries on the other hand, and connected with such countries." The members of the Board are appointed for a term of five years and are eligible for reappointment. They do not represent governments.

Decisions of the Board upon questions of whether a country has accumulated excessive quantities of drugs and of whether the contracting parties shall be notified and recommended to impose an embargo are taken by an absolute majority of the whole number of the Board.

The Secretary-General of the League appoints members of the staff on the nomination of the Board and subject to the approval of the Council and has administrative control over the staff.

The Council is to assure, under article 20, "the full technical independence of the Board in carrying out its duties"; and this has been taken to mean that the Board is entirely independent of the League or, in other words, that it is not a League body.

The constituent resolution provided that the Advisory Committee should be appointed by the Council and that it should include representatives of the countries "chiefly concerned" with the drug traffic, "in particular Holland, Great Britain, France, India, Japan, China, Siam, Portugal." At its last session in 1940, the Committee was made up of representatives of the following states in addition to those mentioned above with the exception of Japan, who had withdrawn: Belgium, Bulgaria, Canada, Czechoslovakia, Egypt, Greece, Hungary, Iran, Mexico, Peru, Poland, Spain, Switzerland, Turkey, United States of America, Uruguay, and Yugoslavia. All the opium-producing countries were members except Afghanistan,

Japan, and the Union of Soviet Socialist Republics. Likewise represented were all the countries producing coca leaves, all the principal manufacturing exporting countries, and all the countries that have the opium-smoking problem—except, in each of these categories, Japan.

In 1934, its first full year of operation, the cost of implementing the limitation convention of 1931 was 383,205.25 Swiss francs.

The total expenses of the Permanent Central Opium Board for 1939, the last normal year, amounted to 99,477 Swiss francs; those of the Drug Control Service and the Supervisory Body amounted to 302,448 Swiss francs, or a total of 401,925 Swiss francs. During 1942, it cost 90,475.65 Swiss francs to maintain the Permanent Central Opium Board and 140,937 Swiss francs to maintain the Drug Control Service and the Supervisory Body, or a total of 231,412.65 Swiss francs.

The amount of the total annual budget, as determined by the League of Nations, is prorated among the various member countries. League members are assessed in the same proportion that they contribute to the League budget; the United States agreed to pay an amount equal to the British quota. The British and United States share was originally 10.6 percent, but this amount has increased because of decreased membership and reduced contributions on the part of those states whose territories are wholly or partially occupied. The United States quota was 11.775 percent of the total for 1939 and 22.8359 percent for 1942, although total expenditures have been reduced.

The United States has been a party to the Hague convention of 1912 since the convention came into force in February 1915.

Although the United States did not become a member of the League of Nations, it has participated in the work of the Opium Advisory Committee since January 1923, where it has been represented in an expert and advisory capacity. United States representatives have taken an active part in the meetings of the Committee and its subcommittees.

The United States did not become a party to the Geneva convention of 1925, which provided for the creation of the Permanent Central Opium Board. It has, however, cooperated with the Board by making the reports for which the Board has called. Since 1933 it has participated

in the nomination of candidates for the Board and in the nomination of a representative to join with the Council in the selection of the Board. An American citizen, Herbert L. May, has been a member of the Board since 1928.

In 1931, the United States took an active part in the Geneva Conference on the Limitation of the Manufacture of Narcotic Drugs, from which emanated the limitation convention of 1931. To this convention the United States ratification in 1931 was the first to be deposited. There is no specific reference in the convention to financing.

The United States participated in the Geneva conference of June 1936, from which emanated the 1936 Convention for the Suppression of the Illicit Traffic in Dangerous Drugs. The convention as drafted, however, was regarded as unacceptable to the United States and was not signed by the American delegates.

The first appropriation of \$12,086 was voted by Congress in 1935 as payment of the United States quota for the calendar year 1934 and approximately six months of 1933. An attempt was made to pay the quota in September, but the League maintained that the organizations were not in a position to receive direct contributions and that the money must be transmitted as a voluntary contribution to the League of Nations, which in turn would provide sufficient funds for their needs. This suggestion was refused by the United States and the money was returned and eventually redeposited into the Treasury. Subsequent appropriations through the year 1939 lapsed into the Treasury because the League of Nations would not permit the international bodies to accept the payments. In 1940 certain changes were made in the administrative functions within the League structure, and the payment for that year, \$11,186.46, was made. The assessment for 1942 was 88,075.20 Swiss francs, or \$20,352.14, but payment in the same amount as that for 1941 was made with the explanation that the State Department did not consider that the quota should be increased while expenses were actually reduced.

The Bureau of Narcotics of the Treasury Department and the Department of State are responsible for different aspects of United States policy concerning drug control.

The staffs of the drug-control bodies have been reduced during the war and their activities necessarily limited.

SUMMARY OF ASSESSMENTS AND PAYMENTS

Year	Assessments in Swiss francs	U. S. Payments	Percentage of Total Budget
1933 (July 9 to Dec. 31)-----	32, 139. 15	none	10. 37
1934-----	67, 985. 20	"	10. 365
1935-----	58, 579. 35	"	10. 38
1936-----	73, 470. 00	"	11. 278
1937-----	76, 145. 35	"	11. 70
1938-----	78, 348. 35	"	11. 538
1939-----	78, 877. 90	"	11. 775
1940-----	47, 934. 00	\$11, 186. 46	13. 21
1941-----	63, 727. 75	14, 726. 02	20. 667
1942-----	88, 075. 20	14, 726. 02	22. 8359

The Permanent Central Opium Board continues to collect statistics and estimates on drug traffic in the Western Hemisphere, but reports from other regions have fallen off markedly. The work of the Supervisory Body has continued in practically the same manner as in the years before the war. The work of the Drug Control Service of the League has declined considerably, mostly because of the withdrawal of Germany, Italy, and Japan, and of the difficulty of postal communications between the Western Hemisphere and Geneva.

The Central Board, meeting at London in September 1942, decided not only to carry on the current work of the narcotic drug services but also to undertake preparatory work for the post-war period which would "(1) insure the supply of drugs that will be urgently required for medical relief, particularly in countries that had been overrun and devastated and (2) . . . develop the control necessary to prevent illicit traffic and the spread of addiction". In this connection it is proposed to study possible post-war reorganization of the system of national and international controls established by existing conventions.

In February 1941, branch offices of the Supervisory Body and the Permanent Central Opium Board were opened in Washington, but the headquarters of these bodies remained in Geneva.

The position of the drug-control bodies in the future and their relation to the projected structure and function of the United Nations is at present

a matter under consideration. In this connection, the United States Delegate at the United Nations Conference on International Organization, Mr. Stettinius, made the following statement:

" . . . Experience has shown that drug control raises issues which can best be met not by an international health, economic or social agency, but by the type of specialized agencies now functioning so successfully in this field. Everything possible should be done to safeguard the continued operation of these agencies and services.

"The United States Delegation wishes to go on record as hoping that the Organization will be entrusted with supervision over the execution of existing or future international agreements with regard to the control of the legitimate traffic in opium and other dangerous drugs, and the suppression of illicit traffic in and abuse of such drugs; that there shall be established an advisory body to advise directly the Economic and Social Council on these matters; and that the existing agencies be regarded as autonomous agencies to be related directly to the Economic and Social Council".⁶

Arrival of the Polish Minister For Foreign Affairs

[Released to the press October 13]

The Minister for Foreign Affairs of the Polish Provisional Government of National Unity, Mr. Wincenty Rzymowski, arrived in Washington on October 14.

At the San Francisco conference provisions were made for Poland to sign the Charter as an original member of the United Nations. Mr. Rzymowski is coming to Washington, where the original of the Charter is deposited, for the purpose of signing the document on behalf of Poland.

Mr. Rzymowski is accompanied by Madame Rzymowski; Jozef Olszewski, Director of the Political Department of the Polish Foreign Office; Mr. Wladyslaw Nizinski, of the Anglo-American Section of the Foreign Office; and an interpreter.

Mr. Rzymowski and his party will be entertained by the Secretary of State at luncheon at the Blair House on Tuesday, October 16. After the luncheon, he will sign the United Nations Charter on behalf of Poland.

⁶ *Report to the President on the Results of the San Francisco Conference* (Department of State publication 2349), p. 122.

Estimate for UNRRA Appropriation

*Letter From THE PRESIDENT*¹

THE WHITE HOUSE,

Washington, October 4, 1945.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.
SIR:

I have the honor to transmit herewith for the consideration of Congress an estimate for the appropriation of \$550,000,000 for the United Nations Relief and Rehabilitation Administration.

The United States pledged to UNRRA by act of March 28, 1944, \$1,350,000,000 to provide urgently needed assistance to the victims of Axis aggression. The \$800,000,000 thus far made available by the Congress in accordance with this pledge is now almost exhausted. I, therefore, urge that we at this time appropriate to UNRRA the remaining \$550,000,000 of the amount previously authorized. The details of this estimate are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith,² in whose comments and observations thereon I concur. As previously indicated to the Congress, I shall shortly submit a recommendation for the authorization of an additional contribution to enable UNRRA to meet its new responsibilities and to complete its programs.

The people of the liberated countries who so gallantly resisted Axis oppression throughout the war now face a winter of acute need and privation. They look to UNRRA for assistance. Unless UNRRA is enabled to speed ample shipments of supplies to these war-stricken areas, widespread starvation and disease will result. Our wholehearted support will be a real contribution toward a stable and enduring peace.

Respectfully yours,

HARRY S. TRUMAN

Statement by

ASSISTANT SECRETARY CLAYTON³

[Released to the press October 11]

I welcome this opportunity to appear before this committee in support of the President's recommendation that Congress appropriate \$550,000,000 for participation by the United States in the work of the United Nations Relief and Rehabilitation Administration. The \$550,000,000 requested is the balance of the \$1,350,000,000 authorized by Congress and is urgently needed in as much as the \$800,000,000 which has been appropriated is now virtually exhausted.

A year and a half ago Congress approved participation by the United States in UNRRA and authorized the appropriation of \$1,350,000,000 as the United States contribution to the work of the organization. At that time none of the areas which had been occupied by the enemy in Europe or the Far East had been liberated. The United Nations had created the UNRRA organization so that joint planning could be achieved in preparation for the time of liberation when the urgent requirements for relief and rehabilitation would arise.

The UNRRA agreement provided that all of the members should bear a share of the administrative expenses of the organization, but only those countries whose territories had not been occupied by the enemy should be asked to contribute the supplies, services, and funds required for relief and rehabilitation. The amount of the contribution of each was arrived at by the application of a formula which was adopted as the fairest measure of each country's ability to contribute. That formula was one percent of a country's national income for the year ending June 30, 1943; in our case this amounted to the \$1,350,000,000 which Congress authorized.

When, in 1944, appropriations were requested pursuant to this authorization, it was still impossible to tell when liberation would occur in the areas to be aided by UNRRA, so that no precise predictions could be made as to the time funds would be

¹ H.Doc. 305, 79th Cong.

² Not printed.

³ Made before the Deficiency Subcommittee of the Appropriations Committee of the House of Representatives, Oct. 11, 1945.

required. In view of this uncertainty, Congress was requested to appropriate only \$450,000,000 directly and to provide an authorization for the transfer to UNRRA of an additional \$350,000,000 of the supplies, services, and funds already available for disposition or expenditure by the President under the Lend-Lease Act. In this manner UNRRA was enabled, when the European war ended late last spring and the demands upon UNRRA for assistance greatly increased beyond the direct appropriation of \$450,000,000, to utilize funds and supplies which could be made available by transfer from lend-lease appropriations pending a return to Congress for further appropriations.

Since military conditions permitted UNRRA to begin operations in the liberated areas late this spring, the pace of UNRRA operations has accelerated tremendously, and it has managed to deliver to these war-torn areas very large quantities of supplies, which have meant the difference between acute distress and a semblance of decent living. By the end of September UNRRA had shipped an estimated 2,000,000 long tons of supplies. Of these supplies, shipments from the United States amounted to 895,513 tons, and an additional 375,000 tons were made available from U.S. military supplies overseas. The Director General will present a fuller picture of UNRRA's operations and accomplishments in the relief and rehabilitation of victims of war.

The total amount of \$800,000,000 heretofore made available to UNRRA by Congress is almost exhausted. The operations of UNRRA are now approaching their peak, and the goods and services which are to be supplied to liberated areas out of the \$800,000,000 previously made available, and out of the available contributions of the other contributing nations, will not be sufficient to enable UNRRA to continue its flow of food and other supplies to destitute and devastated areas throughout the winter. In order to avoid disastrous interruption of the supply lines to the millions of war victims who look to UNRRA for assistance during the forthcoming winter months, prompt action on the President's request for an additional appropriation is required.

It is expected that the \$550,000,000 which you are now requested to appropriate will all be spent by December 31 of this year. The volume and rate of procurement have increased because of

the readier availability of supplies and transportation and because UNRRA is now in full operation.

It is the intention of this Government, through the State Department, to supervise the expenditure of this \$550,000,000 if it is appropriated, in the same way in which the FEA, under Mr. Crowley, supervised the expenditure of the first \$800,000,000. To carry out this function we will have the assistance of the staff which formerly served under Mr. Crowley and which has a record of real achievement to its credit.

It is our intention to use as much as possible of the requested \$550,000,000 to obtain surplus United States property, as has been done in the past. Every effort is being made to utilize United States surpluses overseas as well as at home for UNRRA purposes. One hundred fifty million dollars has already been made available for the transfer to UNRRA of United States Army surpluses overseas. A mission, on which the Army, FEA, and UNRRA were represented, left early in September to survey the field and expedite these transfers, and this work will continue, if the additional \$550,000,000 is granted. General Osborne will tell you about these activities.

I must point out, however, that there are limitations upon the usefulness of Army surpluses to meet UNRRA's needs. One of UNRRA's biggest needs is foods, particularly bulk quantities of grain and other staples which do not exist in Army surpluses.

The end of the war in the Pacific has brought the full pressure of demand to bear upon UNRRA. All areas which will receive aid through UNRRA, that is, all areas which are unable to pay in full for their own relief and rehabilitation needs, have now been liberated and are urgently in need of the supplies and services which UNRRA was established to provide. The period of waiting and planning is over everywhere, and the period of performance, already begun in Europe, now embraces the Far East.

It was impossible, when the original request for contributions was presented to the Congress in the winter of 1944, to estimate the number of countries UNRRA would be called upon to assist or the extent of the needs in those countries. It was equally impossible to predict the length of time UNRRA would have to remain in operation. Now, however, we are in a position to answer these questions.

We have just concluded the third session of the UNRRA Council in London, and it was there agreed that we should contemplate the end of UNRRA's operations in Europe by the end of 1946 and in the Far East three months thereafter. With these periods in mind, it became apparent that an additional operating contribution would be required from each of UNRRA's contributing members. We proposed that provision be made for the inclusion of Italy, Austria, Korea, and Formosa, and we agreed that provision of a limited assistance would be made for the Ukrainian and Byelorussian Soviet Socialist Republics. On this basis, we concluded that a further amount equal to our original contribution would be required to carry out the purposes of UNRRA. We were unwilling to agree to relief assistance which would require us to recommend a larger contribution to Congress, but we do not believe that a lesser amount will provide the required assistance during the remaining period of UNRRA's operations. As the United States member of the UNRRA Council, I proposed a resolution which was adopted by the Council, recommending that each contributing member of UNRRA should make an additional operating contribution equal to one percent of the national income of such country for the year ending June 30, 1943.

Within a short time we will ask Congress to authorize this additional contribution. At that time we will have available for presentation to Congress complete information as to the plans and operating programs which UNRRA would undertake under the new authorization.

We cannot wait until that time, however, to request the appropriation of the remaining \$550,000,000 of the funds which Congress has already authorized for our participation in UNRRA. A delay of even a few weeks will be extremely serious, since UNRRA must move at once to bring assistance to all of the newly liberated lands who are unable to provide relief and rehabilitation for themselves. The task is far too urgent to permit any stoppage in relief supplies, and that is what will happen if there is a period during which UNRRA is unable to engage in any procurement because of the absence of funds.

As you know, in any supply operation there is a necessary interval between the time funds are committed against specific purchases and the time actual deliveries are made and expenditures re-

corded. The length of this interval varies from commodity to commodity. UNRRA is now in a position, in so far as its United States contribution is concerned, where it cannot today plan on any additional future procurement of any substantial amount. The supplies for which its funds are committed will be in the process of procurement, shipment, and delivery for the next two or three months. If it receives no additional funds at this time deliveries from the United States will cease entirely in most of the major items in December and January. Since the United States is the major contributing nation, particularly in the field of food and clothing, this means that without the additional appropriation of \$550,000,000 UNRRA programs of relief will practically come to an end in the crucial period of the winter.

The success of our arms and those of our Allies has brought us a stunning victory. Today the world is at peace for the first time in 15 years. But peace must mean something more than the absence of hostilities. It must mean the revival of production and the renewed exchange of goods. It must mean employment and increased prosperity. The sooner those nations whose lands have been stripped and ravaged can again help themselves, the sooner all of us will enjoy the fruits of our victory. UNRRA is the first step in this direction.

Operations of UNRRA

FOURTH QUARTERLY REPORT

[Released to the press by the White House October 11]

To the Congress of the United States of America:

I am transmitting herewith the 4th report to Congress on UNRRA operations for the quarter ending June 30, 1945, in which there has been included a summary statement on the status of the United States contribution to UNRRA as of August 31, 1945.

Unconditional surrender of both Germany and Japan has brought full victory to the United Nations on the battlefields, but victory can have real meaning only if it is speedily translated into a secure peace. That great task is just beginning. Victory over the enemy has been costly in material things and in blood and suffering. Victory in securing a lasting peace will continue to call for the combined efforts of all peoples to bind up the

wounds left by the war so that solid foundations will be laid for the future.

In the period under review in this report UNRRA, increasingly freed from the restraints imposed by military needs, moved into the large-scale operations for which it had been maturing plans, scheduling purchases, and building an organization. In Greece, Yugoslavia, and Albania it took over supply responsibility at the request of the allied military authorities. Operations were under way in Poland and Czechoslovakia and considerable shipments of supplies had arrived in these countries. On the basis of the prior agreement with SHAEF and at the urgent request of the military authorities, UNRRA teams were assisting armed forces in the care and repatriation of millions of allied displaced persons in Germany and Austria. In the Far East the military situation was less favorable to UNRRA activities but significant operations were carried on in China, and the program for the Far East was further elaborated in preparation for the day of liberation.

In order to carry through these operations and to ensure that the supply pipe line would remain full, UNRRA had to draw heavily upon the \$450,000,000 appropriated by the Congress, and arrangements were made to exercise the authority contained in the appropriation act to utilize for UNRRA purposes up to \$350,000,000 of supplies, services and funds available under the Lend-Lease Act. In the succeeding months UNRRA's need for United States supplies has continued to increase with the result that it has been necessary to utilize virtually all the funds and authority available under the appropriation act.

Through UNRRA the United States is making and will make its contribution for relief to the liberated peoples. In order that these people may move ahead toward the tremendous task of reconstruction, they must have the basic materials to regain their strength. Where we at home have shortages and inconveniences, millions in other lands lack even the bare necessities of life. Life abroad in the coming winter will depend upon the outside assistance which this country and other countries can render to the liberated peoples.

UNRRA, struggling as it has in the face of world deficits of critical supplies and of shipping, has made a substantial beginning in the immense task of relief and rehabilitation. The more this task can be speeded up through the early delivery of vitally needed supplies, the sooner it will be pos-

sible for UNRRA to withdraw, leaving the liberated peoples on a firm footing to carry on their own life. The Government of the United States and the other members of UNRRA are meeting this common problem as the United Nations are attempting to meet other world problems—together and to the best of their respective abilities.

HARRY S. TRUMAN

THE WHITE HOUSE

October 11, 1945

UNRRA Program in Italy¹

[Released to the press by UNRRA October 9]

UNRRA at present is carrying on in Italy a limited program. This was authorized by the Council at its second session in Montreal, September 1944. This program is not to cost more than \$50,000,000. It is serving children and mothers with supplementary rations and giving some medical aid to the population generally, also assistance in care of displaced persons.

The UNRRA Council has authorized an expanded—a full scale—program in Italy at as early a time as it can be started. We are working toward the goal of starting it early in January. Carrying on this program, of course, will be possible only if the uninvaded member nations of UNRRA contribute the supplies and funds asked by the Council at its meeting in London, August 1945, when a second contribution of one percent of the national income of each of the 31 uninvaded member nations in the year ended June 30, 1943 was requested.

Continued aid to Italy after January 1 is a matter of life and death for that country. Italy cannot grow enough food to feed itself. Southern Italy is especially poor, and the Allied armies have done a good job in caring for civilians in the face of great difficulties. The military program of assistance ended September 1. Then began the three-month FEA interim program of \$100,000,000. This is a good beginning to assist Italy to its feet. That program, besides providing food, medicine, clothing, and other necessities of daily life, will send some cotton, wool, and rubber to help start industry going and give aid to men previously employed by the military or returned from forced labor in Germany. But this FEA supply

¹ Statement by Spurgeon M. Keeny, Chief, UNRRA Italian Mission.

line will end in December. Unless UNRRA funds become available, the pipeline will become dry.

Italian industry is almost entirely dependent on imported coal. If Italy has coal, cotton, and wool, she can make some of her own clothing. This method instead of cutting deeply into our own supply of textiles provides a market for some of our surplus cotton and wool. The cloth made will in turn bring to market more of the wheat that the Italian farmer now tends to hold back because he is afraid to sell for lire that have little buying power.

Italy's wheat crop this year is the worst in 20 years. She must have at least 150,000 tons of wheat a month until the next harvest. Even this amount of wheat will not increase the present meager rationed food supply of less than 1,000 calories daily per person. Of course, Italians get more than this. But everything beyond the 1,000 calories of rationed food must be bought in the open market at prices so high that the average family's earnings must nearly all go for food.

But the expanded UNRRA program contemplated for Italy if the uninvaded United Nations provide the financing must do more than help to feed the country. If nothing more is done, Italy will be as helpless at the end of 1946 as it is now. Phosphate rock and spare parts for agricultural machinery must be brought in to help Italy grow more food. Anyone who has traveled throughout Italy must be impressed with the fact that every bit of land is being cultivated except those spots that have been mined or flooded. Anyone who says Italy is not trying to help itself has not seen men and women dig entire fields by hand for the lack of animals to pull the plows.

The 1945 UNRRA program for Italy is limited to the feeding of undernourished children, to medical care, and to assistance to displaced persons and refugees to return to their homes. About 1 million children are now being fed. This number will increase to 2 million before Christmas. Emergency medical and hospital supplies are being distributed. By next year Italy will be able to make many of its own medicines but to do so will need most of the raw chemicals and drugs. The return of displaced persons and refugees is well under way. Almost 1 million Italians have been returned from Germany by the military, which has done an excellent job in moving a great number of people home before winter. In addition, almost 1 million Italians in Italy must be returned to the homes

from which they were removed at the time of military operations. Finding shelter is the most difficult problem because nearly 6 million rooms have been destroyed in Italy in military operations.

The second-hand clothing contributed by the American people is proving a godsend to Italians who are able to buy nothing new because supplies are so short and prices so high. In Italy, a shirt now costs at least \$15 and a pair of men's shoes \$50 worth of lire. At this moment, some 5 million pounds of clothing from the recent drive are on their way to Italy, where they will be distributed by UNRRA and American Relief for Italy in cooperation.

Of all parts of Italy, Sardinia is perhaps the hardest hit. Its production was small in normal times, and its crops have failed this year both because of the drought and because of the plague of grasshoppers. In addition, it has one of the worst malaria rates in Italy. In order to deal with the situation a project is being worked out with the Rockefeller Foundation whereby it is hoped to stamp out malaria in Sardinia within two years. UNRRA will supply the materials, using largely army-surplus transport and medical supplies; local expenditures will be supplied by the Italian Government, and the technical supervision will be done by the Rockefeller Foundation.

In all of the relief program Italy is a full partner, and for every dollar of supplies landed in the country it contributes 100 lire to a special fund. This means that all of UNRRA's money can be used to buy supplies. The Italian contribution pays all expenses of the program in the country. All lire not so spent will be used to extend the program and to serve as a cushion when UNRRA withdraws, as it hopes to do, by the end of 1946.

It is not always understood that the proposed so-called "expanded" UNRRA program for 1946 is not an expansion at all but a merging of the present limited UNRRA program and that which has been carried by the military and FEA. This relief is essential to the life of Italy, because Italy's economy is a highly dependent one. Parallel with this relief, however, there must be developed a program of commercial credits which will make it possible for Italy to make additional purchases of raw materials, especially of industrial supplies. Only if this program of credits and raw materials is pushed at full speed can international trade be resumed and relief be promptly brought to an end.

Financial and Trade Discussions

With the United Kingdom: United States Objectives

A correspondent asked Assistant Secretary Clayton at a press conference on October 9 what policy would underlie the United States Government in its current financial and trade talks with the British. Mr. Clayton replied that from his point of view, if the government could not justify an agreement with the British which might result from these talks, there would be no use in undertaking it. He said that he was not inclined to justify the agreement on the basis of partnership in the war, adding that, although a great deal could be said on that score, he thought that if a satisfactory arrangement could be worked out with the British it could be completely justified on the basis of the benefits that would accrue to this country in the future. Mr. Clayton said that if Britain did not get assistance from the United States her alternative would be to fall back upon defensive trade measures; to further solidify and cement the economic bloc that exists now around the British Empire; to cut down her importations of goods to the very bone from every country outside of the Empire; to channel her trade to the sterling countries and just build up an economic bloc there that would inevitably mean that corresponding blocs would be built up in the rest of the world; so that there would be a situation very bad from both the economic and political point of view.

Mr. Clayton declared that it was the object of the Department of State to try to get the world back on a multilateral basis of trading and of economic intercourse and relations, and to break up, as far as possible, these economic blocs that have developed. He said that he believed this was the right course not only because it fits with American plans for a great expansion in world economy and production and consumption and interchange of goods, but also because the United States believes that kind of atmosphere is necessary to prevent development in the world of political blocs and spheres of influence out of which in time grow all kinds of differences between nations and be-

tween groups of nations which sow the seeds of conflict.

Mr. Clayton explained that if the United States does not assist her to get back on to a multilateral basis of trade, Great Britain, who has been one of our best customers for years, will inevitably resort to bilateral arrangements with the resultant loss of markets for American tobacco, cotton, and other products.

FAR EASTERN ADVISORY COMMISSION—*Continued from page 561*

Commission. Prior to such termination, the Commission shall transfer to any interim or permanent security organization of which the participating Governments are members, those functions which may appropriately be transferred.

APPOINTMENT OF REPRESENTATIVES

[Released to the press October 12]

The Department has been informed by the American Legation at Canberra, Australia, that the Australian Government has accepted with pleasure the invitation to participate in the Far Eastern Advisory Commission and has designated H. V. Evatt, Minister for External Affairs, as its representative on the Commission.

The American Embassy in Paris has informed the Department that the French Government has accepted the invitation to participate in the Far Eastern Advisory Commission, and that the French representative will be named in due course.

The American Embassy in Ottawa on October 11 telegraphed the Department that the Canadian Government will gladly participate in the Far Eastern Advisory Commission and will be represented at the initial meeting on October 23 by Lester B. Pearson, the Canadian Ambassador in Washington.

Thirty-fourth Anniversary of the Republic of China

MESSAGE FROM PRESIDENT TRUMAN TO GENERALISSIMO CHIANG KAI-SHEK

[Released to the press October 8]

OCTOBER 8, 1945.

His Excellency

Generalissimo CHIANG KAI-SHEK,

*President of the National Government of the
Republic of China*

Chungking (China).

Upon the thirty-fourth anniversary of the founding of the Republic of China the American people join me in sending to Your Excellency and to the people of China sincere congratulations and good wishes.

HARRY S. TRUMAN

STATEMENT BY THE PRESIDENT

[Released to the press by the White House October 10]

The American people today join the people of all free nations in saluting the people of China upon this thirty-fourth anniversary of China's national revolution. For the first time in 14 years China is able to celebrate the Double Tenth without fear of aggression. The tremendous sacrifices which the Chinese people made for so long in their stirring and effective resistance to the Japanese invader have finally been rewarded in complete victory over the enemy, and the American people take pride in the decisive role played by our gallant Ally in this titanic struggle for world freedom.

With final victory in the war achieved, China now faces the urgent problems of reconstruction of her devastated nation—a task which will require all of the inspired leadership and full cooperation of the Chinese people which have been so evident during these years of desperate struggle for survival and without which Japan's savage aims of aggression might have succeeded.

On behalf of the American people I take pleasure in reaffirming our abiding faith in the ability of the Chinese nation to accomplish the democratic objectives established for it by Dr. Sun Yat-sen and in pledging our assistance and support to the attainment of this end.

Ratification of Charter of the United Nations

[Released to the press October 10]

Denmark

Henrik de Kauffmann, Minister of Denmark, deposited with the Department of State on October 9 the Danish instrument of ratification of the Charter of the United Nations and the annexed Statute of the International Court of Justice. Denmark is the twelfth nation to complete the necessary action on the Charter.

[Released to the press October 12]

Chile

Juan Antonio Ríos, President of Chile, delivered to President Truman at the White House on October 11 his instrument of ratification of the Charter.

Philippine Commonwealth

Earlier on October 11 the Resident Commissioner of the Philippines to the United States, Brig. Gen. Carlos P. Romulo, deposited with the Department of State the Philippine instrument of ratification of the Charter.

Paraguay

Celso R. Velázquez, Ambassador of Paraguay, deposited with the Department of State on October 12 the Paraguayan instrument of ratification of the Charter.

The following 15 governments have now deposited instruments of ratification in the order listed:

United States of America on August 8
France on August 31
Dominican Republic on September 4
Nicaragua on September 6
New Zealand on September 19
Brazil on September 21
Argentina on September 24
El Salvador on September 26
Haiti on September 27
China on September 28
Turkey on September 28
Denmark on October 9
Philippine Commonwealth on October 11
Chile on October 11
Paraguay on October 12

Resignation of Frank McCarthy as Assistant Secretary of State

EXCHANGE OF LETTERS BETWEEN THE PRESIDENT AND MR. MCCARTHY

[Released to the press by the White House October 11]

Frank McCarthy has sent the following letter to the President, submitting his resignation as Assistant Secretary of State:

OCTOBER 11, 1945.

MY DEAR MR. PRESIDENT:

Since I left the Army in August and came to the Department of State, my health has steadily declined. Recently I have been told by my physician that I am suffering from an accumulated fatigue which can be relieved only if I am willing to lay aside all responsibility for a period of at least two or three months, perhaps a longer time. I am further advised that a failure on my part to correct this condition quickly will result in some permanent impairment of my health.

I have discussed with the Secretary of State, the Under Secretary, and a number of other officers of the Department, and of the Bureau of the Budget, certain administrative measures which will, I believe, strengthen the Department for the task which it faces. These can be effectively instituted only by aggressive, forceful leadership. The need for such leadership is immediate. I do not believe it can be provided through the designation of an Acting Assistant Secretary for Administration. The weaknesses of such an arrangement are inherent and obvious; I do not think the Department should accept them at this time.

In addition, I feel that my best chance of future usefulness lies in my determination not to resume any form of responsibility until I have recovered completely and beyond question. I do not know how long this may take.

Under these circumstances, I wish to offer my resignation as Assistant Secretary of State.

It is with regret that I am forced to relinquish the opportunity you have given me for high service. In doing so, I wish to express my appreciation of your confidence and trust.

Faithfully yours,

FRANK MCCARTHY

The text of the President's reply follows:

OCTOBER 11, 1945.

DEAR COLONEL MCCARTHY:

I have just read your letter of this date. Recently I was told that you were disturbed about your health, but I hoped that after a rest you would find it possible to continue your work as Assistant Secretary of State.

I understand your position, and I cannot ask you to do anything that would in the opinion of your physician and in your opinion delay your recovery.

Therefore with deep regret, and with appreciation of the valuable service you have rendered, I accept your resignation.

Very sincerely yours,

HARRY S. TRUMAN

Traveling Accommodations in the Far East

[Released to the press October 8]

The Department of State has arranged with the War Department to have food, quarters, and local transportation furnished to American businessmen traveling in the Far East, when such accommodations are not obtainable in the usual way. This assistance will be furnished by Army supply facilities, as is now being done in the areas of Europe occupied by United States forces, as long as the Army has such facilities in operation.

In order to obtain this aid, businessmen whose American passports are correctly endorsed for travel to the Far East should apply, after arrival, to the American mission or consulate serving the area they are in. No arrangements can be made in this country prior to departure, and no guaranty is made that aid will not be unavailable due to conditions beyond control.

Pan-American Book Exposition

[Released to the press by the Pan American Union October 12]

More than 4,000 volumes—representing the work of 190 publishing houses throughout the Western Hemisphere—have been received by the Columbus Memorial Library of the Pan American Union to be displayed during the first Pan American Book Exposition, opening October 12.

The exhibit, unique among inter-American cultural events, will give thousands of Washingtonians and visitors to the national capital a comprehensive look at Latin American literary output. Forty-two United States publishers will also be represented, showing 141 volumes of translations and books on Latin American themes.

The diversity of material to be exhibited is notable, with every field of writing from higher mathematics and comparative religion to children's verse and cookbooks included in the exposition. Many volumes are translations of timeless classics and contemporary best sellers of all lands, rendered into Spanish or Portuguese from Greek, Latin, English, French, German, Russian, Chinese, and the Scandinavian.

A survey of titles reveals a lively interest among Latin Americans in the history, literature, politics, and art of neighbor republics. "Brazilian Policy in Paraguay" is a treatise published in Argentina, which country also sent to the exhibit a "General History of Peru", as well as Spanish translations of novels by Nathaniel Hawthorne, Theodore Dreiser, John Erskine, and many another author familiar to this country.

Items from Chile include Emil Ludwig's "Napoleon", "Now and Forever", by Pearl Buck, and Carl Sandburg's "Mary Todd Lincoln". The names of Pierre Loti and Max Lerner catch the eye in the Mexican collection. Publishers in Peru, Colombia, Uruguay, and Brazil also contributed translated works by English-language writers and books dealing with varied aspects of life in the rest of the hemisphere.

These, however, represent only a fraction of the material to be displayed. Most of it is original prose and poetry by living Latin Americans, treating of the history and politics, the folklore, drama, topography, and outstanding figures, past and

present, of their native lands. It is, in short, a vital, articulate cross-section of those other Americas with whom we live in ever-increasing intimacy.

Not only the variety of content but also the distinctive editorial techniques, formats, and physical composition represented in the exhibit will attract the book lover. Although paper-back volumes—designed for mass consumption and priced from 30 cents to a dollar, United States currency—form the bulk of the exhibit, several hundred books handsomely bound in leather and cloth will be shown.

Argentine publishers, who produced a total of 19,342,719 volumes in 1944, easily topping the output of all other Latin American countries combined, have sent 3,186 examples of their work to the Pan American Exposition. One firm, the Emecé Editores of Buenos Aires, printed a special catalog for the occasion, containing descriptions and price lists of the 204 titles they will show.

Guillermo Kraft, president of La Cámara del Libro Argentino (Argentine Book Society), was chiefly instrumental in securing the participation of all leading editorial houses in that southern republic. Dr. Kraft organized both the highly successful 1943 Argentine Book Fair and the exposition of Argentine literature held in Santiago, Chile, early this year.

In all, editorial firms of 17 Latin American republics have sent their best and latest works to the exhibit, which will be open to the public daily from Columbus Day until November 12 in the Hall of the Americas of the Pan American Union.

Appointment of Mark Etheridge To Investigate Conditions In the Balkans

At his press and radio conference on October 10, the Secretary of State announced the appointment of Mark Etheridge of the Louisville *Courier-Journal* as a representative of this Government to investigate conditions in the Balkan states.

Iraqi Barter Agreements

Palestine

The Legation at Baghdad transmitted to the Department with a despatch dated September 4, 1945 a text of a barter agreement signed by Iraq and Palestine, probably early in the spring of 1945. According to the terms of the agreement each Government will issue import licenses for merchandise specified in the agreement, and upon the receipt of an import license from the other country the Government of the territory of despatch will issue an export license and accord such facilities for export as are possible. The agreement is valid for one year from the date of signature, but with the understanding that the total quantities of the commodities will be shipped in as short a period of time as is possible. Cows and woolen yarn will be sent from Iraq to Palestine, while Nablus soap, washing soap, earthenwares, glasswares, and cotton goods will be sent from Palestine. In each case the trade will be valued at about 190,000 Iraqi dinars (\$767,000).

The agreement with Palestine is similar to barter agreements concluded this year by Iraq with Lebanon and with Syria.

Lebanon

The Lebanese-Iraqi agreement was signed at Beirut on February 27, 1945 and provides for the exchange of certain commodities considered essential for both countries. The text and an accompanying schedule of commodities considered essential for both countries comprising a program for six months' barter were set forth in Iraqi Notification no. 36 of 1945, dated at Baghdad May 16, 1945.

In both countries, export licenses will be issued to resident merchants recognized by both parties as being properly qualified and residing in the country where the license is issued. The merchants must pledge execution of the export operation, as well as importation of a specific quantity of any of the commodities named, as an offset of the products exported. The agreement is valid for six months but may be renewed at the end of this or any other six months' period on the same terms after consultation by both sides one month before the expiration of the agreement.

The commodities to move from Iraq to Lebanon under this agreement include rice, woolen yarn,

sheep, cows, oxen, ox and buffalo hides, and linseed. Trade from Lebanon to Iraq will consist of cement, matches, glassware, cardboard, tanned leather, and tanned sole leather. In each case the total value of the commodities involved is 257,000 dinars (\$1,037,000).

Syria

Early in March an Iraqi-Syrian barter agreement was signed in Damascus. The full text of this agreement has not yet been published, but it is stated in official circles that its terms are identical with those of the Lebanese-Iraqi agreement. It is reported that the commodities to be furnished by Iraq to Syria are rice, woolen yarns, cow and buffalo hides, oxen, cows, sheep, goats, broken glass, and paper waste, while Syria is to send to Iraq Aleppo soap, silk, cotton textiles, hemp ropes, matches, tanned sole leather, cement, socks and stockings, and neckties. In each case the trade will be valued at 1,000,000 Iraqi dinars (\$4,035,000).

Aviation Agreements

The Department of State has recently received notes of acceptance of the Interim Agreement on International Civil Aviation from Spain and from Greece and of the International Air Services Transit Agreement from Spain, from Australia, and from Greece, and a note from the Netherlands relinquishing the reservation which it had made regarding the Fifth Freedom with respect to the International Air Transport Agreement as provided in article IV, section 1, of that agreement.

The interim agreement became binding with regard to Spain on August 2 and with regard to Greece on September 21 in accordance with article XVII of that agreement, which provides that it shall become binding upon the receipt of a note of acceptance by the Government of the United States.

The Spanish note on the transit agreement was dated July 27 and received August 2, the Australian note dated August 25 and received August 28, and the Greek note dated July 9 and received September 21.

The note from the Netherlands Embassy relinquishing the reservation in the transport agreement was dated September 21.

Return of Americans on the "Gripsholm"

[Released to the press October 8]

The Department of State announced that the relief ship, the M.V. *Gripsholm*, arrived at Pier F, Jersey City, N. J., on October 9, 1945. The *Gripsholm* carried to the United States approximately 1,325 American citizens with their close alien relatives from Palestine, Egypt, Greece, and Italy. There were also on board approximately 175 Red Cross personnel returning from service with the armed forces in Europe.

The *Gripsholm* is expected to sail from Newark on October 16, carrying American officials and businessmen and alien deportees to Italy, Greece, and Egypt.

Repatriation of Americans From Shanghai

[Released to the press on October 13]

The Department of State has received from the American Consulate General at Shanghai the list of civilians who left Shanghai on the hospital ship *Refugee* on September 27. From other sources, the Department has learned that the passengers reached Guam safely and are due at a west-coast port about October 20. The names of the passengers are printed in press release 247.

Denunciation of Patent-Interchange Agreement

The Secretary of State informed the British Ambassador by a note dated October 8, 1945 of the termination on April 8, 1946 of the agreement between the United States and Great Britain on the Interchange of Patent Rights, Information, Inventions, Designs, or Processes which was signed at Washington August 24, 1942.¹ The notice was given pursuant to article XV of the agreement, which provides that it may be terminated at the option of either Government and that the date of termination shall be not less than six months from the giving of notice.

Patrick J. Hurley To Return to China

[Released to the press October 13]

The Department of State announced on October 13 that Ambassador Patrick J. Hurley will return to China after he has had a short rest.

THE DEPARTMENT

Appointment of Officers

Bryn J. Hovde as Consultant in the Office of International Information and Cultural Affairs, effective September 26, 1945.

John A. Loftus as Chief of the Petroleum Division, effective October 2, 1945.

William E. DeCourcy as Chief of the Division of Foreign Service Personnel, effective October 5, 1945.

Col. Alfred McCormack as Special Assistant to the Secretary, in charge of research and intelligence, effective September 28, 1945. The routing symbol for Colonel McCormack's office is SA-Mc.

BOARD OF FOREIGN SERVICE PERSONNEL

William L. Clayton, Assistant Secretary in charge of economic affairs, as a member of the Board of Foreign Service Personnel to replace Dean Acheson, effective August 20, 1945.

Change in Name of the Special War Problems Division to Special Projects Division²

Purpose. This order is issued to reflect more accurately the functions of the Special War Problems Division in view of the termination of hostilities.

1 *Change in name of the division.* The name of the Special War Problems Division of the Office of Controls is hereby changed to Special Projects Division (routing symbol SPD).

2 *Functions of the division.* The functions of the division shall remain unchanged.

¹ Executive Agreement Series 268.

² Department Order 1341, dated and effective Oct. 3, 1945.

3 *Orders amended.* Departmental Order 1301 of December 20, 1944 and any other orders the provisions of which are in conflict herewith, are accordingly amended.

FRANK MCCARTHY
Assistant Secretary

Publications

of the DEPARTMENT OF STATE

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., who is the authorized distributor of Government publications. To avoid delay, address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

★*European Inland Transport: Agreement Between the United States of America and Other Powers—Signed at London May 8, 1945. Executive Agreement Series 458. Publication 2387. 35 pp. 10¢.*

This multilateral agreement provides among the signatory powers for coordination both in movement of traffic within Europe by road, rail, or inland waterway, and also in allocation of transport equipment and material, in order to restore normal conditions of economic life.

★*Military Mission: Agreement Between the United States of America and Guatemala—Signed at Washington May 21, 1945; effective May 21, 1945. Executive Agreement Series 459. Publication 2388. 11 pp. 5¢.*

The United States in conformity to request of Guatemala authorizes the detail of officers of the U. S. Army as a military mission to Guatemala. The purpose of this mission is to cooperate with the Minister of National Defense of Guatemala and with personnel of the Guatemalan Army with a view to enhancing the efficiency of that Army, to serve as adviser to the Army General Staff and the various military academies, and to aid in organizing Army Service Forces.

THE CONGRESS

Policy Covering the Use and Development of the Atomic Bomb. Message from the President of the United States transmitting request for the enactment of legislation to fix a policy covering the use and development of the atomic bomb. H. Doc. 301, 79th Cong. 4 pp.

Development of the Great Lakes-St. Lawrence Basin. Message from the President of the United States transmitting the recommendation for approval by the Congress of the agreement of March 19, 1941, between United States and Canada for the development of the Great Lakes-St. Lawrence Basin. H. Doc. 302, 79th Cong. 3 pp.

Estimate of Appropriation for the United Nations Relief and Rehabilitation Administration. Communication from the President of the United States transmitting estimate for the appropriation of \$550,000,000 for the United Nations Relief and Rehabilitation Administration. 3 pp.

Proposing an Amendment to the Constitution of the United States Relative to Voting Qualifications. S.Rept. 614, 79th Cong., to accompany S.J.Res. 92. 3 pp. [Favorable report.]

Amending the Nationality Act of 1940 To Preserve the Nationality of Citizens Residing Abroad. S. Rept. 615, 79th Cong., to accompany H.R. 3466. 2 pp.

Foreign Contracts Act: Joint Hearings Before a Subcommittee of the Committee on the Judiciary, United States Senate, and the Special Committee Investigating Petroleum Resources (S. Res. 36), Seventy-ninth Congress, first session, on S. 11, a bill to protect the foreign relations and to promote trade and commerce of the United States, to require the disclosure to the United States of information affecting such trade and commerce, and to safeguard the security of the United States. May 17, 18, 21, and 22, 1945. iii, 267 pp. [Indexed.]

THE FOREIGN SERVICE

Consular Offices

The American Consulate General at Tientsin, China, was reestablished October 7, 1945.

THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 330

OCTOBER 21, 1945

In this issue

THE ROLE OF INTERNATIONAL INFORMATION SERVICE IN CONDUCT OF FOREIGN RELATIONS

Statements by Assistant Secretary Benton

MILITARY GOVERNMENT OF GERMANY

Directive to the Commander in Chief of United States Forces of Occupation

IS UNRRA DOING ITS JOB?

A Radio Broadcast

REESTABLISHMENT OF THE INTERNATIONAL REGIME IN TANGIER

*For complete contents
see inside cover*



THE DEPARTMENT OF STATE

BULLETIN

VOL. XIII • No. 330



PUBLICATION 2405

October 21, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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The Role of International Information Service in Conduct of Foreign Relations

Statements by ASSISTANT SECRETARY BENTON

[Released to the press October 16]

There follows the text of a statement read by Assistant Secretary of State Benton before the House Foreign Affairs Committee on October 16:

The theme of my testimony here today is that the United States Government—and specifically the State Department—cannot be indifferent to the ways in which our Nation is portrayed in other countries. It has an obligation—perhaps I should call it an opportunity and a challenge—to help give to the people of other lands what President Truman describes as “a full and fair picture of American life and of the aims and policies of the United States Government”.

Peoples Speaking to Peoples

H.R. 4368¹ reflects some profound changes in the conduct of foreign relations in the twentieth century—and particularly in the last 20 years. These changes are obvious to you who have been following the development of foreign relations. I refer to them now merely as background for the discussion of this bill.

There was a time when foreign affairs were ruler-to-ruler relations, when the rulers dealt privately and secretly with one another through their ambassadors. Even when absolute rulers gave way to representative governments, the relations often continued to be secret and private through ambassadors. These government-to-government relationships prevailed until the first World War.

Since 1918 the relations between nations have constantly been broadened to include not merely

governments but also peoples. The peoples of the world are exercising an ever larger influence upon decisions of foreign policy. That is as it should be.

The impact of America is one of the forces behind this trend. America is the leader in the development of the field of communications. We have been a leader in the whole field of science and technology.

Short-wave broadcasting has grown up within the last 20 years, and notably in the last 10. Rates for the international transmission of news have been reduced by 50 percent, 75 percent, and in some instances by 90 percent, resulting in a vastly greater flow of information from one country to another. Magazines now have international circulation. Books are being translated and sold internationally in far greater quantities. The motion picture appeals to everybody everywhere and reaches all corners of the world.

The peoples themselves, as well as their ideas, are moving about the world farther and faster. Now they can fly around the world on a commercial schedule of 6 days. It is a fairly safe prediction that the volume of tourist and commercial travel will increase steadily, and perhaps spectacularly, unless we are thrown once more into depression or international conflict.

These trends are not new to you. But they have an important bearing upon the proposals covered

¹ H. R. 4368, a bill to extend and broaden the existing programs for the interchange of persons, knowledge, and skills between the people of the United States and the peoples of other countries.

by H.R. 4368. They mean that we in the United States have a new challenge—and a new and unprecedented opportunity—to exchange information, learning, and skill with the people of other countries and thus not only to build a firmer foundation for our commerce but to provide that broad base of mutual understanding which makes for world peace.

Limits of the Proposed Program

Now some of the things I have just said may seem to be sweeping generalizations put forth to justify a seemingly unlimited operation. I should like to state two basic limitations which I feel should apply to all programs.

First, I am against any indiscriminate, miscellaneous campaigns aimed to develop so-called "good-will". All programs abroad in the field of so-called "cultural relations" should be designed to support U.S. foreign policy in its long-range sense, and to serve as an arm of that policy. Many of the programs will, I trust, be educational and humanitarian in the highest sense. But this is not a bill to create and legitimize "Uncle Santa Claus". The benefits from it must be two-way benefits, to us as well as to others.

Second, the dissemination of information about the United States and the process of cultural exchange must continue, in overwhelming degree, to be non-governmental in character and in function. The State Department should not attempt to undertake what private press, radio, and motion-picture organizations do better, or what our tourists, the salesmen of our commercial companies, our advertisers, our technicians, our book publishers and play producers, and our universities do regularly and well.

The Government's role here is facilitative and supplementary. Its first job is to be helpful to the private agencies engaged in international exchange of information, skill, and art, and to the tens of thousands of private individuals going abroad who act as cultural ambassadors. The second job of Government—the supplementary job—is to help present a truer picture of American life and American policy in those areas important to our policy where private interchange is inadequate, or where misunderstandings and misapprehensions exist about the United States and its policies.

Mr. Chairman, may I remind the committee that

I entered upon Government service within the past 30 days after 25 years in private business and in the administration of a university which is privately endowed. I believe that the citizens of this country and its private institutions should be encouraged to do everything that they can possibly do. This is my basic approach. It affects everything else that I have to say this morning. However, I know there are some areas which only Government can or will handle, and we must study these areas and win the understanding of business, of the people, and of Congress for Government activities in them.

The Positive Side of the Policy

President Truman, in his statement of August 31, said that "The nature of present-day foreign relations makes it essential for the United States to maintain informational activities abroad as an integral part of the conduct of our foreign affairs."¹ Our aim is to promote the cause of peace through peaceful intercourse, through trade, travel, investment abroad, scientific exchange, and through clearer understanding of other countries within the United States and of the United States abroad.

From the point of view of security, it seems self-evident that popular understanding of the United States in other countries, if it is accurate, will strengthen the possibility of friendship and political cooperation. I know all of you trust that the world Organization which was chartered in San Francisco shall develop constructively. That Organization is no permanent guarantor of peace. It is simply a mechanism. The success of that mechanism depends upon the spirit in which it is used.

The peoples of the world are going to have a great deal to say about the policies which their governments will advocate in the Security Council and in the Assembly of the world Organization. If programs for the dissemination of information abroad, and for technical and educational cooperation, can contribute even in a small way to the better understanding between peoples, and thus enhance the likelihood of world peace, these activities will warrant their relatively modest cost.

The interchange of skill, culture, and information costs very little in contrast to a single battleship in a fleet of battleships. Today I can hardly imagine a cultural-relations program on a world scale which, on an annual basis, would equal the

¹ BULLETIN of Sept. 2, 1945, p. 306.

cost of a battleship. A battleship is a traditional and orthodox expenditure of the taxpayer's dollar. The exchange of skills, knowledge, students, scientists, and other specialists is a relatively new idea and hence, to some, unorthodox. We should not close our minds because of that. We should, on the contrary, with the development of the atomic bomb and other terrifying weapons of destruction, place our small and inconspicuous bets on these long-range measures which hold some reasonable hope and promise that the world can learn to live together in peace and understanding.

Our military and economic power is now so great that it is bound to lead many people and groups throughout the world to distrust us, or fear us, or even hate us, and not all the information work in the world, or all the technical and educational cooperation activities in the world, can wholly prevent it. At least we can try to minimize the untruthful impressions of this country and to see that accurate knowledge counteracts the growth of suspicion and prejudice.

A cooperative foreign policy, as ours is, must be open, proclaimed, popularly arrived at at home, and clearly understood abroad. Any foreign policy must be viewed in the light of national history and character of the country that formulates it. If the policies of the United States are to be clearly understood and acted upon in other countries, their peoples must be aware, in some measure, of our national characteristics indispensable to the interpretation of our policies.

There is a commercial as well as a security aspect here. Although these informational and cultural programs cannot be measured in dollar-and-cents return, and should not be, it is obvious that trade with the United States will be stimulated abroad by an acquaintance with American technology and methods. The commercial position of Germany before this war indicated that a national reputation for scientific and technical know-how is one of the great factors in begetting trade and commerce. People bought German books and German precision instruments because the Germans had demonstrated that they were at that time leaders in these fields, and German industrial exports followed. Foreign students who come here will come to know American methods and American products. American scientists and technicians who go abroad will arouse interest in American ways and American products.

There is still another and less obvious relationship between the purposes of this bill and our foreign economic relations. The United States, as the world's leading creditor, and with the world's largest industrial capacity, has the greatest stake in world prosperity. Anything we can do, in cooperation with other governments, to make knowledge available on public health, on educational methods, and on the development of agricultural products which are complementary to those of the United States will in the long run react to the advantage of the United States. Such cooperation tends to raise the standard of living in other countries. American trade flourishes best with those nations with high standards of living.

Operations

The people of the United States, through their government, make direct contact with other peoples in two major ways. The first is through an international information program. The second is a program of technical and educational cooperation. In 1939 the Congress authorized the Department of State to initiate such a program with the other American republics. This program was extended, during the war, to China and countries of the Near East.

The Information Program

First, I should like to comment on the information program. The President's Executive order of August 31, 1945 transferred to the Department of State the foreign information activities of the Office of War Information and the Office of Inter-American Affairs. The committee is no doubt familiar with the provisions of this Executive order, but it may be convenient if, with your permission, I submit the full text at this point for insertion in the Record.¹

By the terms of this order the Department inherited two big and energetic overseas information agencies—both of them organized and developed to meet wartime needs, both of them much too costly for peacetime purposes, but both of them engaged in a vitally important job.

The soundest procedure for peacetime, in my opinion, is for the State Department to determine, and to keep determining as conditions change, American needs in the various fields of overseas information—news, motion pictures, publications, and the rest—and then to support and help private

¹ BULLETIN of Sept. 2, 1945, p. 307.

industry to do everything it will and can to meet those needs. I am consulting with representatives of private industry in these fields, in the expectation that much of the job will be taken off the Government's shoulders. The remainder of the job, with the approval of the Congress, will devolve upon the future overseas information service within the Department of State.

This is work that can and should be done on a modest scale. I have already ordered the reduction of our radio output from 40 to 18 languages. I have approved the discontinuance of *Victory*, *USA*, and *Photo Review*, the magazines formerly published by the OWI, and an early termination of *En Guardia*, the magazine published by the Office of Inter-American Affairs. Extensive production of pamphlets by both of these agencies has been eliminated almost completely. The radio-photo network of the OWI will, I hope, be taken over by private companies. The cable-wireless news operation of the OWI has already been drastically reduced.

I cite these reductions only to show that the Department has no intention to continue an information program on anything approaching the scale of the wartime activities.

Furthermore, it is not our intention to compete in expenditure with the information organizations of other governments. We cannot rely, however, on the private or governmental facilities of other countries—even our best friends abroad—to make the world better acquainted with America as it really is.

In other words, in the field of information overseas we are today carrying on, cutting down, and planning, all at the same time. The process is not simple and decisions are not easy, as the committee can see from the single baffling example of short-wave radio. Here is an instrument of information and education of enormous potential value. It can cross oceans, leap frontiers, speak directly to foreign peoples in their own languages. Other governments are using it on an increasing scale, and its technical efficiency is growing almost from day to day.

What is to be done with it? It is expensive; one third of the entire cost of today's overseas information work is represented by the programming and operation of short-wave radio and its relaying by medium wave. It is generally unprofitable for private industry, since there is no way of assuring

adequate revenue from listeners abroad or sponsors at home; and in any case only 13 of the 36 transmitters now in use in the United States were in operation at the time of Pearl Harbor. All the rest were built for or by the Government. To scrap these new transmitters, 18 of which are owned by the Government, and to stop programming them at once, would not seem intelligent from the point of view of the future national interest.

Since there is a great national interest involved, and since this is one of the most complicated problems in the whole field of government, the Department of State cannot possibly decide this particular issue now. The problem needs to be studied in its entirety and recommendations most carefully made for submission to the Congress. We have no choice, it seems to me, but to continue the operation of short-wave radio on a reduced scale, with fewer languages, fewer hours on the air, and fewer employees, until such a study can be completed and recommendations made.

Perhaps this one illustration will help show the kind of problem faced in our overseas information program. It goes without saying that the former activities of the two war agencies are now being combined into an operation which I hope will become increasingly efficient, and certainly far less costly.

Learning, the Arts, and Technical Exchanges

In the field of cooperation involving learning, the arts, and technical skills, my staff has prepared for this committee a prospectus of the kinds of cooperative activities in which this Government has engaged in the past. Copies of this prospectus are being distributed to the committee members. This is in no sense a blueprint of a program, even a tentative program, for the years ahead. No one can foresee in any detail how a program of this sort may develop. With your permission, Mr. Chairman, I ask that this document be regarded as something like a shoemaker's pattern, something which he uses in cutting a broad outline of the shoe from the piece of leather. Later the shoemaker trims and modifies the leather to fit the shoe.

I should like, however, to summarize here briefly some of the proposals in this prospectus.

Technicians of the United States Government have been loaned to a dozen Latin American countries in the past 5 years, and about 25 U.S. Gov-

ernment officials have been helping the Chinese Government during the war. The expenses of these men have been shared between governments. These American officials have been specialists in soil conservation, public health, weather forecasting, tidal surveys, aircraft safety measures, and many other fields.

These United States officials were not sent only to carry on relief or rehabilitation or economic development, or to engage in administrative work or operations. True, they did all these things. They conducted demonstration projects, they trained others to carry on, and they supervised and consulted. They helped other countries to help themselves. But in the process they made other countries familiar with American ideas and skills.

In liberated countries, this is now a most timely form of cooperation. A small number of American technical personnel can now contribute American ideas or American methods, which may well influence the basic planning of those countries for the next 50 years.

Another illustration is the exchange of students between other countries and the United States. The Chinese Boxer Indemnity scholarships, based upon funds which this Congress returned to China in 1908, have produced many of the outstanding leaders of China today. In the past 5 years our State Department scholarships to Latin American students have won expressions of appreciation from the other American republics. Those scholarships have been extended not only for study in our universities but also for training in our industries and in United States Government agencies.

Today there are thousands of American boys and girls, including those entitled to training and education under the GI bill, who want to study abroad. This bill gives the Department authority to extend this program of scholarship to countries throughout the world, when and as indicated.

A third activity proposed under this program is the promotion abroad of American books, American authors, and the American concept of public libraries. We should continue to maintain in the principal capitals of the world small reading rooms of American books and periodicals. These reading rooms serve both our embassies and the public.

Other potential projects listed in the prospectus are before you. Several officers of the Depart-

ment who are here today are familiar with the operation of the programs of the past 5 years and will be glad to give you their judgment on future possibilities that may prove promising and productive.

Before closing, I should like to make one observation on the language of this bill. I have asked the qualified law officers of the Department to comment on the text of this bill. I am told that section 2 on page 2 contains the basic authorizing authority. All the remainder of the bill provides the necessary flexibility for dealing with a great variety of nationalities, of accounting systems, of laws, and of courtesies which it is necessary to observe outside the United States in carrying on this program. My staff has prepared a mimeographed explanation of each clause in this bill, as they interpret it, and how each clause would be applied by the Department of State. I believe you have copies of this analysis before you now. If this committee and the Congress approves, it is my intention to ask Secretary Byrnes to issue strict regulations governing the use of waivers of law which are contained in this bill. I can assure you that such waivers will be used only when they are necessary to accomplish the purposes of the act.

[Released to the press October 17]

Assistant Secretary Benton testified before the Appropriations Committee of the House of Representatives in executive session on October 4, 1945. Excerpts from Mr. Benton's statement, the first by Mr. Benton or the Department of State indicating the tentative lines of the Department's policy in the field of overseas information, appear below.

On September 12 the Acting Secretary of State, Mr. Acheson, wrote you that the Department would determine "as promptly as possible" which of the transferred functions should be continued after the end of this year and which should be abolished.¹ He explained that we would not be able to recommend a program for the future until we had finished our survey. He did say, however, that I would appear before you, especially "to advise you as to the vital need of an international information service and the important role

¹ Not printed.

such a service will have to play in the post-war conduct of our foreign relations."

The Need for Information About America Abroad

I have with me excerpts from telegrams and letters to the Department from the heads of our diplomatic missions abroad, urging in one way or another the continuance of American information services in their areas.

America's strength, and America's good example, need to be understood beyond our borders. Our military and economic power is so great, in fact, that it is bound to lead many people and groups throughout the world to distrust us or fear us or even hate us, and not all the information work in the world can wholly prevent it. At least we can try to minimize the unfair or untruthful impressions of this country, and to see that accurate knowledge counteracts the growth of suspicion and prejudice.

The Department of State believes that a constructive program in this area is essential in the conduct of American foreign relations. It believes that we must try to give other countries what the President has called "a full and fair picture of American life and of the aims and policies of the United States Government."¹

Private facilities can do a very big part of the job, and, as far as I am concerned, the more the better. The soundest procedure, in my opinion, is for the State Department to determine, and to keep determining as conditions change, American needs in the various fields of overseas information—news, motion pictures, publications, and the rest—and then to support and help private industry to do everything it will and can to meet those needs. Already I am consulting with representatives of private industry in these fields, in the hope that much of the job can be taken off the Government's shoulders. The remainder of the job, with the approval of this committee and the Congress, will devolve upon the future overseas information service within the State Department.

The Transitional or Emergency Task Abroad

Some of this work will be transitional and temporary, in the backwash of the war. Information

has to be supplied and controlled in Germany and Japan in accordance with policy directives from Washington and the orders of our military authorities on the spot. The same is true, to a different degree, in Austria and in the city of Trieste, where American troops are part of an Allied occupation. Another example is the Army's urgent request for the help of information teams in France, to keep the good-will and understanding of the civilians in areas where great numbers of our troops are waiting for transportation home.

Vast areas in the Balkans and eastern Europe are still cut off from normal contact with America, and special efforts will be needed for some time to see that American policy and its background are presented truthfully. Still greater areas in south-eastern Asia and China have just been liberated from the Japanese. For almost four years in some places, almost eight years in others, a black curtain has cut these people off from the United States and the rest of the world. The lies spread by Japan will have to be counteracted, and the truth about our country will have to be told, if we are to win and hold the respect of the people of Asia.

The Long-Term Information Job Abroad

These are areas where emergency work has to be done right now and for some months to come. But there is also a long-term information job to be done everywhere in the world—in Latin America, in Europe, in the Middle East, the British Commonwealth, and Russia. In these areas, too, truth and not special pleading is our instrument in clarifying American policy and in presenting a frank, accurate picture of American life.

This is work that can and should be done on a modest scale. Perhaps 3 or 4 American information officers in the smaller countries, 10 to 20 in the larger, will be enough, with the help of a compact and efficient service organization at home. I would not come here today to justify this work on a basis of dollar-and-cents return, but it is only fair to say that anything which promotes good-will and understanding of our country also promotes American business abroad.

We have no intention of competing in expenditure with the information organizations of other governments, but we cannot rely on the private or governmental facilities of other countries—even of our best friends abroad—to make the world better acquainted with America as it really is.

¹ BULLETIN of Sept. 2, 1945, p. 306.

Through the cooperative efforts of American private industry and Government, this work is going on now under the interim service that has been set up in the State Department.¹ There can be no break in the continuity, although the scale and the scope of our information work has already been cut sharply from its wartime level, and will be cut much further before the end of the year. We can do the necessary peacetime work with far fewer people and at far less cost.

No Program Can Be Submitted Until Later

I cite this to show the committee why I cannot appear before you with estimates which reflect a program. The figures before you are merely rough estimates made at your request shortly after the collapse of Japan, before the Department knew what it wanted to continue or abolish in the overseas information field. You will see that these figures provide for sharp reductions, and we are trying to reduce even further, where possible.

Secretary Byrnes has asked me to submit to him, before January 1, recommendations for the long-term information program. From the first quick look I have been able to make, the long-term program we shall submit to you later will be so much smaller that it will bear little resemblance to the programs of the wartime agencies involved.

In the meantime, I respectfully request, on behalf of the department charged with the grave responsibility of conducting our foreign relations, that you allow it to carry on this vital work.

International Military Tribunal

The War Department released on October 18 the text of the indictment against German war criminals as filed with the International Military Tribunal in Berlin on that date. The following two paragraphs of the indictment specify the defendants and the nature of the crimes of which they are accused:

I. The United States of America, the French Republic, the United Kingdom of Great Britain and Northern Ireland, and the Union of Soviet Socialist Republics by the undersigned, Robert

H. Jackson, Francois de Menthon, Hartley Shawcross and R. A. Rudenko, duly appointed to represent their respective Governments in the investigation of the charges against and the prosecution of the major war criminals, pursuant to the Agreement of London dated August 8, 1945, and the Charter of this Tribunal annexed thereto, hereby accuse as guilty, in the respects hereinafter set forth, of Crimes against Peace, War Crimes, and Crimes against Humanity, and of a Common Plan or Conspiracy to commit those Crimes, all as defined in the Charter of the Tribunal, and accordingly name as defendants in this cause and as indicted on the counts hereinafter set out: Hermann Wilhelm Göring, Rudolph Hess, Joachim von Ribbentrop, Robert Ley, Wilhelm Keitel, Ernst Kaltenbrunner, Alfred Rosenberg, Hans Frank, Wilhelm Frick, Julius Streicher, Walter Funk, Hjalmer Schacht, Gustav Krupp von Bohlen und Halbach, Karl Dönitz, Erich Raeder, Baldur von Schirach, Fritz Sauckel, Alfred Jodl, Martin Bormann, Franz von Papen, Artur Seyss-Inquart, Albert Speer, Constantin von Neurath and Hans Fritzsche, individually and as members of any of the groups or organizations next hereinafter named.

II. The following are named as groups or organizations (since dissolved) which should be declared criminal by reason of their aims and the means used for the accomplishment thereof and in connection with the conviction of such of the named defendants as were members thereof: Die Reichsregierung (Reich Cabinet); Das Korps der Politischen Leiter der Nationalsozialistischen Deutschen Arbeiterpartei (Leadership Corps of the Nazi Party); Die Schutzstaffeln der Nationalsozialistischen Deutschen Arbeiterpartei (commonly known as the "SS") and including Die Sicherheitsdienst (commonly known as the "SD"); Die Geheime Staatspolizei (Secret State Police, commonly known as the "Gestapo"); Die Sturmabteilungen der N. S. D. A. P. (commonly known as the "SA"); and the General Staff and High Command of the German Armed Forces. The identity and membership of the groups or organizations referred to in the foregoing titles are hereinafter in appendix B² more particularly defined.

¹ BULLETIN of Sept. 16, 1945, p. 418.

² Not here printed.

Military Government of Germany

DIRECTIVE TO THE COMMANDER IN CHIEF OF THE UNITED STATES FORCES OF OCCUPATION

[Released to the press October 17]

It is considered appropriate, at the time of the release to the American public of the following directive setting forth United States policy with reference to the military government of Germany, to preface the directive with a short statement of the circumstances surrounding the issuance of the directive to General Eisenhower.

The directive was issued originally in April 1945, and was intended to serve two purposes. It was to guide General Eisenhower in the military government of that portion of Germany occupied by United States forces. At the same time he was directed to urge the Control Council to adopt these policies for enforcement throughout Germany.

Before this directive was discussed in the Control Council, President Truman, Prime Minister Attlee, and Generalissimo Stalin met at Potsdam and issued a communiqué setting forth agreed policies for the control of Germany. This communiqué was made public on August 2, 1945.¹ The directive, therefore, should be read in the light of the policies enumerated at Potsdam. In particular, its provisions regarding disarmament, economic and financial matters, and reparations should be read together with the similar provisions set out in the Potsdam agreement on the treatment of Germany in the initial control period and in the agreement on reparations contained in the Potsdam communiqué. Many of the policy statements contained in the directive have been in substance adopted by the Potsdam agreement. Some policy statements in the Potsdam agreement differ from the policy statements on the same subjects in the directive. In such cases, the policies of the Potsdam agreement are controlling. Where the Potsdam agreement is silent on matters of policy dealt with in the directive, the latter continues to guide General Eisenhower in his administration of the United States Zone in Germany.

DIRECTIVE TO COMMANDER IN CHIEF OF UNITED STATES FORCES OF OCCUPATION REGARDING THE MILITARY GOVERNMENT OF GERMANY

1. The Purpose and Scope of this Directive:

This directive is issued to you as Commanding General of the United States forces of occupation in Germany. As such you will serve as United States member of the Control Council and will also be responsible for the administration of military government in the zone or zones assigned to the United States for purposes of occupation and administration. It outlines the basic policies which will guide you in those two capacities after the termination of the combined command of the Supreme Commander, Allied Expeditionary Force.

This directive sets forth policies relating to Germany in the initial post-defeat period. As such it is not intended to be an ultimate statement of policies of this Government concerning the treatment of Germany in the post-war world. It is therefore essential that, during the period covered by this directive, you assure that surveys are constantly maintained of economic, industrial, financial, social and political conditions within your zone and that the results of such surveys and such other surveys as may be made in other zones are made available to your Government, through the Joint Chiefs of Staff. These surveys should be developed in such manner as to serve as a basis for determining changes in the measures of control set forth herein as well as for the progressive formulation and development of policies to promote the basic objectives of the United States. Supplemental directives will be issued to you by the Joint Chiefs of Staff as may be required.

¹ BULLETIN of Aug. 5, 1945, p. 153.

As a member of the Control Council you will urge the adoption by the other occupying powers of the principles and policies set forth in this directive and, pending Control Council agreement, you will follow them in your zone. It is anticipated that substantially similar directives will be issued to the Commanders in Chief of the U.K., USSR and French forces of occupation.

PART I

General and Political

2. *The Basis of Military Government*

a. The rights, power and status of the military government in Germany are based upon the unconditional surrender or total defeat of Germany.

b. Subject to the provisions of paragraph 3 below, you are, by virtue of your position, clothed with supreme legislative, executive, and judicial authority in the areas occupied by forces under your command. This authority will be broadly construed and includes authority to take all measures deemed by you necessary, appropriate or desirable in relation to military exigencies and the objectives of a firm military government.

c. You will issue a proclamation continuing in force such proclamations, orders and instructions as may have heretofore been issued by Allied Commanders in your zone, subject to such changes as you may determine. Authorizations of action by the Supreme Commander, Allied Expeditionary Force, may be considered as applicable to you unless inconsistent with this or later directives.

3. *The Control Council and Zones of Occupation:*

a. The four Commanders-in-Chief, acting jointly, will constitute the Control Council in Germany which will be the supreme organ of control over Germany in accordance with the agreement on Control Machinery in Germany. For purposes of administration of military government, Germany has been divided into four zones of occupation.

b. The authority of the Control Council to formulate policy and procedures and administrative relationships with respect to matters affecting Germany as a whole will be paramount throughout Germany. You will carry out and support in your zone the policies agreed upon in the Control Council. In the absence of such agreed policies you will act in accordance with this and other directives of the Joint Chiefs of Staff.

c. The administration of affairs in Germany shall be directed towards the decentralization of

the political and administrative structure and the development of local responsibility. To this end you will encourage autonomy in regional, local and municipal agencies of German administration. The German economic structure shall also be decentralized. The Control Council may, however, to the minimum extent required for the fulfillment of purposes set forth herein, permit centralized administration or establish central control of (a) essential national public services such as railroads, communications and power, (b) finance and foreign affairs, and (c) production and distribution of essential commodities.

d. The Control Council should adopt procedures to effectuate, and you will facilitate in your zone, the equitable distribution of essential commodities between the zones. In the absence of a conflicting policy of the Control Council, you may deal directly with one or more zone commanders on matters of special concern to such zones.

e. Pending the formulation in the Control Council of uniform policies and procedures with respect to inter-zonal travel and movement of civilians, no civilians shall be permitted to leave or enter your zone without your authority, and no Germans within your zone shall be permitted to leave Germany except for specific purposes approved by you.

f. The military government personnel in each zone, including those dealing with regional and local branches of the departments of any central German administrative machinery, shall be selected by authority of the Commander of that zone except that liaison officers may be furnished by the Commanders of the other three zones. The respective Commanders-in-Chief shall have exclusive jurisdiction throughout the whole of Germany over the members of the armed forces under their command and over the civilians who accompany them.

g. The Control Council should be responsible for facilitating the severance of all governmental and administrative connections between Austria and Germany and the elimination of German economic influences in Austria. Every assistance should be given to the Allied Administration in Austria in its efforts to effectuate these purposes.

4. *Basic Objectives of Military Government in Germany:*

a. It should be brought home to the Germans that Germany's ruthless warfare and the fanatical

Nazi resistance have destroyed the German economy and made chaos and suffering inevitable and that the Germans cannot escape responsibility for what they have brought upon themselves.

b. Germany will not be occupied for the purpose of liberation but as a defeated enemy nation. Your aim is not oppression but to occupy Germany for the purpose of realizing certain important Allied objectives. In the conduct of your occupation and administration you should be just but firm and aloof. You will strongly discourage fraternization with the German officials and population.

c. The principal Allied objective is to prevent Germany from ever again becoming a threat to the peace of the world. Essential steps in the accomplishment of this objective are the elimination of Nazism and militarism in all their forms, the immediate apprehension of war criminals for punishment, the industrial disarmament and demilitarization of Germany, with continuing control over Germany's capacity to make war, and the preparation for an eventual reconstruction of German political life on a democratic basis.

d. Other Allied objectives are to enforce the program of reparations and restitution, to provide relief for the benefit of countries devastated by Nazi aggression, and to ensure that prisoners of war and displaced persons of the United Nations are cared for and repatriated.

5. *Economic Controls:*

a. As a member of the Control Council and as zone commander, you will be guided by the principle that controls upon the German economy may be imposed to the extent that such controls may be necessary to achieve the objectives enumerated in paragraph 4 above and also as they may be essential to protect the safety and meet the needs of the occupying forces and assure the production and maintenance of goods and services required to prevent starvation or such disease and unrest as would endanger these forces. No action will be taken in execution of the reparations program or otherwise which would tend to support basic living conditions in Germany or in your zone on a higher level than that existing in any one of the neighboring United Nations.

b. In the imposition and maintenance of such controls as may be prescribed by you or the Control Council, German authorities will to the fullest extent practicable be ordered to proclaim and assume administration of such controls. Thus it

should be brought home to the German people that the responsibility for the administration of such controls and for any break-downs in those controls will rest with themselves and German authorities.

6. *Denazification:*

a. A Proclamation dissolving the Nazi Party, its formations, affiliated associations and supervised organizations, and all Nazi public institutions which were set up as instruments of Party domination, and prohibiting their revival in any form, should be promulgated by the Control Council. You will assure the prompt effectuation of that policy in your zone and will make every effort to prevent the reconstitution of any such organization in underground, disguised or secret form. Responsibility for continuing desirable non-political social services of dissolved Party organizations may be transferred by the Control Council to appropriate central agencies and by you to appropriate local agencies.

b. The laws purporting to establish the political structure of National Socialism and the basis of the Hitler regime and all laws, decrees and regulations which establish discriminations on grounds of race, nationality, creed or political opinions should be abrogated by the Control Council. You will render them inoperative in your zone.

c. All members of the Nazi party who have been more than nominal participants in its activities, all active supporters of Nazism or militarism and all other persons hostile to Allied purposes will be removed and excluded from public office and from positions of importance in quasi-public and private enterprises such as (1) civic, economic and labor organizations, (2) corporations and other organizations in which the German government or subdivisions have a major financial interest, (3) industry, commerce, agriculture, and finance, (4) education, and (5) the press, publishing houses and other agencies disseminating news and propaganda. Persons are to be treated as more than nominal participants in Party activities and as active supporters of Nazism or militarism when they have (1) held office or otherwise been active at any level from local to national in the party and its subordinate organizations, or in organizations which further militaristic doctrines, (2) authorized or participated affirmatively in any Nazi crimes, racial persecutions or discriminations, (3) been avowed believers in Nazism or racial and militaristic creeds, or (4) voluntarily given sub-

stantial moral or material support or political assistance of any kind to the Nazi Party or Nazi officials and leaders. No such persons shall be retained in any of the categories of employment listed above because of administrative necessity, convenience or expediency.

d. Property, real and personal, owned or controlled by the Nazi party, its formations, affiliated associations and supervised organizations, and by all persons subject to arrest under the provisions of paragraph 8, and found within your zone, will be taken under your control pending a decision by the Control Council or higher authority as to its eventual disposition.

e. All archives, monuments and museums of Nazi inception, or which are devoted to the perpetuation of German militarism, will be taken under your control and their properties held pending decision as to their disposition by the Control Council.

f. You will make special efforts to preserve from destruction and take under your control records, plans, books, documents, papers, files, and scientific, industrial and other information and data belonging to or controlled by the following:

(1) The Central German Government and its subdivisions, German military organizations, organizations engaged in military research, and such other governmental agencies as may be deemed advisable;

(2) The Nazi Party, its formations, affiliated associations and supervised organizations;

(3) All police organizations, including security and political police;

(4) Important economic organizations and industrial establishments including those controlled by the Nazi Party or its personnel;

(5) Institutes and special bureaus devoting themselves to racial, political, militaristic or similar research or propaganda.

7. Demilitarization:

a. In your zone you will assure that all units of the German armed forces, including para-military organizations, are dissolved as such, and that their personnel are promptly disarmed and controlled. Prior to their final disposition, you will arrest and hold all military personnel who are included under the provisions of paragraph 8.

b. The Control Council should proclaim, and in your zone you will effectuate, the total dissolu-

tion of all military and para-military organizations, including the General Staff, the German Officers Corps, the Reserve Corps and military academies, together with all associations which might serve to keep alive the military tradition in Germany.

c. You will seize or destroy all arms, ammunition and implements of war and stop the production thereof.

d. You will take proper steps to destroy the German war potential, as set forth elsewhere in this directive.

8. Suspected War Criminals and Security Arrests:

a. You will search out, arrest, and hold, pending receipt by you of further instructions as to their disposition, Adolf Hitler, his chief Nazi associates, other war criminals and all persons who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes.

b. All persons who, if permitted to remain at large would endanger the accomplishment of your objectives will also be arrested and held in custody until trial by an appropriate semi-judicial body to be established by you. The following is a partial list of the categories of persons to be arrested in order to carry out this policy:

[NOTE: There follows at this point in the directive a detailed list of categories of Nazi war criminals and others who are to be arrested. Some of these have not yet been found. It is considered that to publish the categories at this time would put the individuals concerned on notice and would interfere with their apprehension and punishment, where appropriate. The list of categories is, therefore, withheld from publication for the present.]

If in the light of conditions which you encounter in Germany, you believe that it is not immediately feasible to subject certain persons within these categories to this treatment, you should report your reasons and recommendations to your government through the Joint Chiefs of Staff. If you believe it desirable, you may postpone the arrest of those whose cases you have reported, pending a decision communicated to you by the J.C.S. In no event shall any differentiation be made between or special consideration be accorded to persons arrested, either as to manner of arrest or conditions of detention, upon the basis of wealth or political,

industrial, or other rank or position. In your discretion you may make such exceptions as you deem advisable for intelligence or other military reasons.

9. Political Activities:

a. No political activities of any kind shall be countenanced unless authorized by you. You will assure that your military government does not become committed to any political group.

b. You will prohibit the propagation in any form of Nazi, militaristic or pan-German doctrines.

c. No German parades, military or political, civilian or sports, shall be permitted by you.

d. To the extent that military interests are not prejudiced and subject to the provisions of the three preceding subparagraphs and of paragraph 10, freedom of speech, press and religious worship will be permitted. Consistent with military necessity, all religious institutions will be respected.

10. Public Relations and Control of Public Information:

As a member of the Control Council, you will endeavor to obtain agreement for uniform or coordinated policies with respect to (a) control of public information media in Germany, (b) accrediting of foreign correspondents, (c) press censorship, and (d) issuance of official news communiqués dealing with Control Council matters. United States policies in these matters will be sent to you separately and you will be guided by these in your negotiations on the Control Council.

11. German Courts:

a. All extraordinary courts, including the *Volksgerichtshof* (People's Court) and the *Sondergerichte* (Special Courts), and all courts and tribunals of the Nazi Party and of its formations, affiliated associations and supervised organizations will be abolished immediately.

b. All ordinary criminal, civil and administrative courts, except those previously re-established by order of the military government, will be closed. After the elimination of all Nazi features and personnel you will permit those which are to exercise jurisdiction within the boundaries of your zone to resume operations under such regulations, supervision and control as you may consider appropriate. Courts which are to exercise jurisdiction over territory extending beyond the boundaries of your zone will be reopened only with the express

authorization of the Control Council and under its regulation, supervision and control. The power to review and veto decisions of German courts shall be included within the power of supervision and control.

12. Police:

With the exception of the *Reichskriminalpolizei* (Criminal Police) all elements of the *Sicherheitspolizei* (Security Police), e.g., *Geheime Staatspolizei* (Gestapo), and the *Sicherheitsdienst der S.S.* will be abolished. Criminal and ordinary police will be purged of Nazi personnel and utilized under the control and supervision of the military government.

13. Political Prisoners:

Subject to military security and the interests of the individuals concerned, you will release all persons found within your zone who have been detained or placed in custody on grounds of race, nationality, creed or political opinions and treat them as displaced persons. You should make provision for the review of convictions of alleged criminal offenses about which there may be substantial suspicion of racial, religious or political persecution, and in which sentences of imprisonment have not been fully served by persons imprisoned within your zone.

14. Education:

a. All educational institutions within your zone except those previously re-established by Allied authority will be closed. The closure of Nazi educational institutions such as Adolf Hitler Schulen, Napolas and Ordensburgen, and of Nazi organizations within other educational institutions will be permanent.

b. A coordinated system of control over German education and an affirmative program of reorientation will be established designed completely to eliminate Nazi and militaristic doctrines and to encourage the development of democratic ideas.

c. You will permit the reopening of elementary (*Volksschulen*), middle (*Mittelschulen*) and vocational (*Berufsschulen*) schools at the earliest possible date after Nazi personnel has been eliminated. Textbooks and curricula which are not free of Nazi and militaristic doctrine shall not be used. The Control Council should devise programs looking toward the reopening of secondary schools, universities and other institutions of higher learning. After Nazi features and personnel have been

eliminated and pending the formulation of such programs by the Control Council, you may formulate and put into effect an interim program within your zone and in any case may permit the reopening of such institutions and departments which offer training which you consider immediately essential or useful in the administration of military government and the purposes of the occupation.

d. It is not intended that the military government will intervene in questions concerning denominational control of German schools, or in religious instruction in German schools, except insofar as may be necessary to insure that religious instruction and administration of such schools conform to such Allied regulations as are or may be established pertaining to purging of personnel and curricula.

15. Arts and Archives:

Subject to the provisions of paragraph 6 above, you will make all reasonable efforts to preserve historical archives, museums, libraries and works of art.

PART II

Economic

General Objectives and Methods of Control

16. You will assure that the German economy is administered and controlled in such a way as to accomplish the basic objectives set forth in paragraphs 4 and 5 of this Directive. Economic controls will be imposed only to the extent necessary to accomplish these objectives, provided that you will impose controls to the full extent necessary to achieve the industrial disarmament of Germany. Except as may be necessary to carry out these objectives, you will take no steps (a) looking toward the economic rehabilitation of Germany, or (b) designed to maintain or strengthen the German economy.

17. To the maximum extent possible without jeopardizing the successful execution of measures required to implement the objectives outlined in paragraphs 4 and 5 of this directive you will use German authorities and agencies and subject them to such supervision and punishment for non-compliance as is necessary to ensure that they carry out their tasks.

For this purpose you will give appropriate

authority to any German agencies and administrative services you consider essential; provided, however, that you will at all times adhere strictly to the provisions of this directive regarding denazification and dissolution or elimination of Nazi organizations, institutions, principles, features, and practices.

To the extent necessary you will establish administrative machinery, not dependent upon German authorities and agencies, to execute or assure the execution of the provisions of paragraphs 19, 20, 30, 31, 32, 39 and 40 and any other measures necessary to an accomplishment of your industrial disarmament objectives.

18. In order to decentralize the structure and administration of the German economy to the maximum possible extent, you will

a. ensure that the action required to maintain or restore essential public utilities and industrial and agricultural activities is taken as far as possible on a local and regional basis;

b. on no account propose or approve in the Control Council the establishment of centralized administration of controls over the German economy except where such centralization of administration is clearly essential to the fulfilment of the objectives listed in paragraphs 4 and 5 of this directive. Decentralization in administration should not be permitted to interfere with attainment of the largest practicable measure of agreement on economic policies in the Control Council.

19. You will institute or assure the maintenance of such statistical records and reports as may be necessary in carrying out the objectives listed in paragraphs 4 and 5 of this directive.

20. You will initiate appropriate surveys which may assist you in achieving the objectives of the occupation. In particular you will promptly undertake surveys of supplies, equipment and resources in your zone. You will endeavor to obtain prompt agreement in the Control Council to the making of similar surveys in the other zones of occupation, and you will urge appropriate steps to coordinate the methods and results of these and other future surveys conducted in the various zones. You will keep the Control Council, United States Representative on the Reparation Commission and other appropriate authorities, currently apprised of the information obtained by means of intermediate reports or otherwise.

German Standard of Living

21. You will estimate requirements of supplies necessary to prevent starvation or widespread disease or such civil unrest as would endanger the occupying forces. Such estimates will be based upon a program whereby the Germans are made responsible for providing for themselves, out of their own work and resources. You will take all practicable economic and police measures to assure that German resources are fully utilized and consumption held to the minimum in order that imports may be strictly limited and that surpluses may be made available for the occupying forces and displaced persons and United Nations prisoners of war, and for reparation. You will take no action that would tend to support basic living standards in Germany on a higher level than that existing in any one of the neighboring United Nations and you will take appropriate measures to ensure that basic living standards of the German people are not higher than those existing in any one of the neighboring United Nations when such measures will contribute to raising the standards of any such nation.

22. You will urge upon the Control Council that uniform ration scales be applied throughout Germany, that essential items be distributed equitably among the zones, that net surpluses be made available for export to Allied countries, and that imports be limited to the net deficits of Germany as a whole.

Labor, Health, and Social Insurance

23. You will permit the self-organization of employees along democratic lines, subject to such safeguards as may be necessary to prevent the perpetuation of Nazi or militarist influence under any guise or the continuation of any group hostile to the objectives and operations of the occupying forces.

24. You will permit free collective bargaining between employees and employers regarding wage, hour and working conditions and the establishment of machinery for the settlement of industrial disputes. Collective bargaining shall be subject to such wage, hour and other controls, if any, as may be instituted or revived by your direction.

25. Subject to the provisions of paragraph 48 of this directive you are authorized to direct German authorities to maintain or reestablish non-discriminatory systems of social insurance and poor relief.

26. You are authorized to direct the German authorities to maintain or re-establish such health services and facilities as may be available to them.

Agriculture, Industry and Internal Commerce

27. You will require the Germans to use all means at their disposal to maximize agricultural output and to establish as rapidly as possible effective machinery for the collection and distribution of agricultural output.

28. You will direct the German authorities to utilize large-landed estates and public lands in a manner which will facilitate the accommodation and settlement of Germans and others or increase agricultural output.

29. You will protect from destruction by the Germans, and maintain for such disposition as is determined by this and other directives or by the Control Council, all plants, equipment, patents and other property, and all books and records of large German industrial companies and trade and research associations that have been essential to the German war effort or the German economy. You will pay particular attention to research and experimental establishments of such concerns.

30. In order to disarm Germany, the Control Council should

a. prevent the production, acquisition by importation or otherwise, and development of all arms, ammunition and implements of war, as well as all types of aircraft, and all parts, components and ingredients specially designed or produced for incorporation therein;

b. prevent the production of merchant ships, synthetic rubber and oil, aluminum and magnesium and any other products and equipment on which you will subsequently receive instructions;

c. seize and safeguard all facilities used in the production of any of the items mentioned in this paragraph and dispose of them as follows:

(1) remove all those required for reparation;

(2) destroy all those not transferred for reparation if they are especially adapted to the production of the items specified in this paragraph and are not of a type generally used in industries permitted to the Germans (cases of doubt to be resolved in favor of destruction);

(3) hold the balance for disposal in accordance with instructions which will be sent to you.

Pending agreement in the Control Council you will take these measures in your own zone. You

will not postpone enforcement of the prohibitions contained in subparagraphs *a* and *b* and the instructions in subparagraph *c* without specific approval of your government through the Joint Chiefs of Staff except that, in your discretion, you may permit the production of synthetic rubber and oil, aluminum and magnesium, to the minimum extent necessary to meet the purposes stated in paragraphs 4 and 5 of the directive pending action by the Joint Chiefs of Staff upon such recommendation for postponement as you may make.

31. As an additional measure of disarmament, the Control Council should

a. prohibit initially all research activities and close all laboratories, research institutions and similar technical organizations except those considered necessary to the protection of public health;

b. abolish all those laboratories and related institutions whose work has been connected with the building of the German war machine, safeguard initially such laboratories and detain such personnel as are of interest to your technological investigations, and thereafter remove or destroy their equipment;

c. permit the resumption of scientific research in specific cases, only after careful investigation has established that the contemplated research will in no way contribute to Germany's future war potential and only under appropriate regulations which (1) define the specific types of research permitted, (2) exclude from further research activity any persons who previously held key positions in German war research, (3) provide for frequent inspection, (4) require free disclosure of the results of the research and (5) impose severe penalties, including permanent closing of the offending institution, whenever the regulations are violated.

Pending agreement in the Control Council you will adopt such measures in your own zone.

32. Pending final Allied agreements on reparation and on control or elimination of German industries that can be utilized for war production, the Control Council should

a. prohibit and prevent production of iron and steel, chemicals, non-ferrous metals (excluding aluminum and magnesium), machine tools, radio and electrical equipment, automotive vehicles,

heavy machinery and important parts thereof, except for the purposes stated in paragraphs 4 and 5 of this directive;

b. prohibit and prevent rehabilitation of plant and equipment in such industries except for the purposes stated in paragraphs 4 and 5 of this directive; and

c. safeguard plant and equipment in such industries for transfer on reparation account.

Pending agreement in the Control Council, you will put such measures into effect in your own zone as soon as you have had an opportunity to review and determine production necessary for the purposes stated in paragraphs 4 and 5 of this directive.

33. The Control Council should adopt a policy permitting the conversion of facilities other than those mentioned in paragraphs 30 and 32 to the production of light consumer goods, provided that such conversion does not prejudice the subsequent removal of plant and equipment on reparation account and does not require any imports beyond those necessary for the purposes specified in paragraphs 4 and 5 of this directive. Pending agreement in the Control Council, you may permit such conversion in your zone.

34. Subject to the provisions of paragraphs 30 and 32, the Control Council should assure that all feasible measures are taken to facilitate, to the minimum extent necessary for the purposes outlined in paragraphs 4 and 5 of this directive.

a. repairs to and restoration of essential transportation services and public utilities;

b. emergency repair and construction of the minimum shelter required for the civilian population;

c. production of coal and any other goods and services (excluding goods specified in paragraphs 30 and 32 unless measures to facilitate production are specifically approved by this Government through the Joint Chiefs of Staff) required for the purposes outlined in paragraphs 4 and 5 of this directive.

You will assure that such measures are taken in your own zone pending agreement in the Control Council.

35. In your capacity as zone commander and as member of the Control Council you will take steps to provide for the equitable interzonal distribution and the movement of goods and services

essential to the purposes set forth in paragraphs 4 and 5 of this directive.

36. You will prohibit all cartels or other private business arrangements and cartel-like organizations, including those of a public or quasi-public character such as the *Wirtschaftsgruppen* providing for the regulation of marketing conditions, including production, prices, exclusive exchange of technical information and processes, and allocation of sales territories. Such necessary public functions as have been discharged by these organizations shall be absorbed as rapidly as possible by approved public agencies.

37. It is the policy of your government to effect a dispersion of the ownership and control of German industry. To assist in carrying out this policy you will make a survey of combines and pools, mergers, holding companies and interlocking directorates and communicate the results, together with recommendations, to your government through the Joint Chiefs of Staff. You will endeavor to obtain agreement in the Control Council to the making of this survey in the other zones of occupation and you will urge the coordination of the methods and results of this survey in the various zones.

38. With due regard to paragraph 4 *a*, the Control Council should adopt such policies as are clearly necessary to prevent or restrain inflation of a character or dimension which would definitely endanger accomplishment of the objectives of the occupation. The Control Council, in particular, should direct and empower German authorities to maintain or establish controls over prices and wages and to take the fiscal and financial measures necessary to this end. Pending agreement in the Control Council you will assure that such measures as you consider necessary are taken in your own zone. Prevention or restraint of inflation shall not constitute an additional ground for the importation of supplies, nor shall it constitute an additional ground for limiting removal, destruction or curtailment of productive facilities in fulfillment of the program for reparation, demilitarization and industrial disarmament.

Power, Transportation, and Communications

39. Both as member of the Control Council and zone commander you will take appropriate steps to ensure that

a. power, transportation and communications facilities are directed in such a way as to carry out

the objectives outlined in paragraphs 4 and 5 of this directive;

b. Germans are prohibited and prevented from producing, maintaining or operating all types of aircraft.

You will determine the degree to which centralized control and administration of power, transportation and communications is clearly necessary for the objectives stated in paragraphs 4 and 5 and urge the establishment of this degree of centralized control and administration by the Control Council.

Foreign Trade and Reparation

40. The Control Council should establish centralized control over all trade in goods and services with foreign countries. Pending agreement in the Control Council you will impose appropriate controls in your own zone.

41. Both as member of the Control Council and as zone commander you will take appropriate steps to ensure that

a. the foreign trade controls are designed to carry out the objectives stated in paragraphs 4 and 5 of this directive;

b. imports which are permitted and furnished to Germany are confined to those unavoidably necessary to the objectives stated in paragraphs 4 and 5;

c. exports to countries other than the United Nations are prohibited unless specifically authorized by the Allied governments.

42. Both as member of the Control Council and as zone commander you will adopt a policy which would forbid German firms to participate in international cartels or other restrictive contracts and arrangements and order the prompt termination of all existing German participations in such cartels, contracts and arrangements.

43. You will carry out in your zone such programs of reparation and restitution as are embodied in Allied agreements and you will seek agreement in the Control Council on any policies and measures which it may be necessary to apply throughout Germany in order to ensure the execution of such programs.

PART III

Financial

44. You will make full application in the financial field of the principles stated elsewhere in this

directive and you will endeavor to have the Control Council adopt uniform financial policies necessary to carry out the purposes stated in paragraphs 4 and 5 of this directive. You will take no steps designed to maintain, strengthen or operate the German financial structure except in so far as may be necessary for the purposes specified in this directive.

45. The Control Council should regulate and control to the extent required for the purposes set forth in paragraphs 4 and 5 the issue and volume of currency and the extension of credit in Germany and in accordance with the following principles:

a. United States forces and other Allied forces will use Allied Military marks and Reichsmark currency or coins in their possession. Allied Military marks and Reichsmark currency and coin now in circulation in Germany will be legal tender without distinction and will be interchangeable at the rate of 1 Allied Military mark for 1 Reichsmark. Reichskreditkassenscheine and other German military currency will not be legal tender in Germany.

b. The Reichsbank, the Rentenbank or any other bank or agency may be permitted or required to issue bank notes and currency which will be legal tender; without such authorization, no German governmental or private bank or agency will be permitted to issue bank notes or currency.

c. The German authorities may be required to make available Reichsmark currency or credits free of cost and in amounts sufficient to meet all the expenses of the forces of occupation, including the cost of Allied Military Government and including to the extent that compensation is made therefor, the cost of such private property as may be requisitioned, seized, or otherwise acquired, by Allied authorities for reparations or restitution purposes.

Pending agreement in the Control Council you will follow these policies in your own zone.

You will receive separate instructions relative to the currency which you will use in the event that for any reason adequate supplies of Allied Military marks and Reichsmarks are not available, or if the use of such currency is found undesirable.

You will not announce or establish in your zone, until receipt of further instructions, any general rate of exchange between the Reichsmark on the one hand and the U.S. dollar and other currencies on the other. However, a rate of exchange to be

used exclusively for pay of troops and military accounting purposes in your zone will be communicated separately to you.

46. Subject to any agreed policies of the Control Council, you are authorized to take the following steps and to put into effect such further financial measures as you may deem necessary to accomplish the purposes of your occupation:

a. To prohibit, or to prescribe regulations regarding transfer or other dealings in private or public securities or real estate or other property.

b. To close banks, but only for a period long enough for you to introduce satisfactory control, to remove Nazi and other undesirable personnel, and to issue instructions for the determination of accounts to be blocked under subparagraph 48 *e* below.

c. To close stock exchanges, insurance companies, and similar financial institutions for such periods as you deem appropriate.

d. To establish a general or limited moratorium or moratoria only to the extent clearly necessary to carry out the objectives stated in paragraphs 4 and 5 of this directive.

47. Resumption of partial or complete service on the internal public debt at the earliest feasible date is deemed desirable. The Control Council should decide the time and manner of such resumption.

48. Subject to any agreed policies of the Control Council,

a. You will prohibit:

(1) the payment of all military pensions, or emoluments or benefits, except compensation for physical disability limiting the recipient's ability to work, at rates which are no higher than the lowest of those for comparable physical disability arising from non-military causes.

(2) the payment of all public or private pensions or other emoluments or benefits granted or conferred:

(a) by reason of membership in or services to the former Nazi party, its formations, affiliated associations or supervised organizations,

(b) to any person who has been removed from an office or position in accordance with paragraph 6, and

(c) to any person arrested and detained in accordance with paragraph 8 during the term

of his arrest, or permanently, in case of his subsequent conviction.

b. You will take such action as may be necessary to insure that all laws and practices relating to taxation or other fields of finance, which discriminate for or against any persons because of race, nationality, creed or political opinion, will be amended, suspended, or abrogated to the extent necessary to eliminate such discrimination.

c. You will hold the German authorities responsible for taking such measures in the field of taxation and other fields of public finance, including restoration of the tax system and maintenance of tax revenues, as will further the accomplishment of the objectives stated in paragraphs 4 and 5.

d. You will exercise general supervision over German public expenditures in order to ensure that they are consistent with the objectives stated in paragraphs 4 and 5.

e. You will impound or block all gold, silver, currencies, securities, accounts in financial institutions, credits, valuable papers, and all other assets falling within the following categories:

(1) Property owned or controlled directly or indirectly, in whole or in part, by any of the following:

(a) The German Reich, or any of the Lander, Gaue or provinces, any Kreis, Municipality or other similar local subdivision; or any agency or instrumentality of any of them including all utilities, undertakings, public corporations or monopolies under the control of any of the above;

(b) Governments, nationals or residents of other nations, including those of territories occupied by them, at war with any of the United Nations at any time since 1 September 1939;

(c) The Nazi Party, its formations, affiliated associations and supervised organizations, its officials, leading members and supporters;

(d) All organizations, clubs or other associations prohibited or dissolved by military government;

(e) Absentee owners, of non-German nationality including United Nations and neutral governments and Germans outside of Germany;

(f) Any institution dedicated to public worship, charity, education or the arts and

sciences which has been used by the Nazi Party to further its interests or to cloak its activities;

(g) Persons subject to arrest under provisions of paragraph 8, and all other persons specified by military government by inclusion in lists or otherwise.

(2) Property which has been the subject of transfer under duress or wrongful acts of confiscation, disposition or spoliation, whether pursuant to legislation or by procedure purporting to follow forms of law or otherwise.

(3) Works of art or cultural material of value or importance, regardless of the ownership thereof.

You will take such action as will insure that any impounded or blocked assets will be dealt with only as permitted under licenses or other instructions which you may issue. In the case particularly of property blocked under (1) (a) above, you will proceed to adopt licensing measures which while maintaining such property under surveillance would permit its use in consonance with this directive. In the case of property blocked under (2) above, you will institute measures for prompt restitution, in conformity with the objectives stated in paragraphs 4 and 5 and subject to appropriate safeguards to prevent the cloaking of Nazi and militaristic influence.

49. All foreign exchange transactions, including those arising out of exports and imports, shall be controlled with the aim of preventing Germany from developing a war potential and of achieving the other objectives set forth in this directive. To effectuate these purposes the Control Council should

a. Seek out and reduce to the possession and control of a special agency all German (public and private) foreign exchange and external assets of every kind and description located within or outside Germany.

b. Prohibit, except as authorized by regulation or license, all dealings in gold, silver, foreign exchange, and all foreign exchange transactions of any kind. Make available any foreign exchange proceeds of exports for payment of imports directly necessary to the accomplishment of the objectives stated in paragraphs 4 and 5 of this directive, and authorize no other outlay of foreign exchange assets except for purposes approved by the Control Council or other appropriate authority.

c. Establish effective controls with respect to all foreign exchange transactions, including:

(1) Transactions as to property between persons inside Germany and persons outside Germany;

(2) Transactions involving obligations owed by or to become due from any person in Germany to any person outside Germany; and

(3) Transactions involving the importation into or exportation from Germany of any foreign exchange asset or other form of property.

Pending agreement in the Control Council, you will take in your zone the action indicated in subparagraphs *a*, *b* and *c* above. Accordingly, you will in your zone reduce to the possession and control of a special agency established by you, within your Command, all German foreign exchange and external assets as provided in subparagraph *a*. You will endeavor to have similar agencies for the same purpose established in the other zones of occupation and to have them merged as soon as practicable in one agency for the entire occupied territory. In addition you will provide full re-

ports to your government with respect to all German foreign exchange and external assets.

50. No extension of credit to Germany or Germans by any foreign person or Government shall be permitted except that the Control Council may in special emergencies grant permission for such extensions of credit.

51. It is not anticipated that you will make credits available to the Reichsbank or any other bank or to any public or private institution. If, in your opinion, such action becomes essential, you may take such emergency actions as you may deem proper, but in any event, you will report the facts to the Control Council.

52. You will maintain such accounts and records as may be necessary to reflect the financial operations of the military government in your zone and you will provide the Control Council with such information as it may require, including information in connection with the use of currency by your forces, any governmental settlements, occupation costs, and other expenditures arising out of operations or activities involving participation of your forces.

Displaced Persons in Germany

Letter From GENERAL EISENHOWER TO THE PRESIDENT

[Released to the press by the White House October 16]

The President has received the following letter from General of the Army Eisenhower in reply to the President's letter of August 31, transmitting to General Eisenhower the report of Earl G. Harrison, U.S. Representative on the Intergovernmental Committee on Refugees:¹

HEADQUARTERS
U.S. FORCES, EUROPEAN THEATER
Office of the Commanding General

8 OCTOBER 1945.

DEAR MR. PRESIDENT:

This is my full report on matters pertaining to the care and welfare of the Jewish victims of Nazi persecution within the United States Zone of Germany. It deals with conditions reported by Mr. Earl G. Harrison, U.S. Representative on Intergovernmental Committee on Refugees, which was

forwarded to me under cover of your letter of 31 August 1945.

Since Mr. Harrison's visit in July many changes have taken place with respect to the condition of Jewish and other displaced persons. Except for temporarily crowded conditions, the result of shifts between established centers and an influx of persons into centers as winter approaches, housing is on a reasonable basis. Nevertheless, efforts to improve their condition continue unabated. Subordinate commanders are under orders to requisition German houses, grounds, and other facilities without hesitation for this purpose.

The housing problem must be seen in full perspective. This winter the villages and towns in the U.S. Zone of Germany will be required to house more than twice their normal population. One

¹For report of Earl G. Harrison to the President, see BULLETIN of Sept. 30, 1945, p. 456.

million and a half German air raid refugees who were evacuated into Southwestern Germany, together with some 600,000 Germans, Volksdeutsche and Sudetens who fled from Poland, New Poland, Czechoslovakia and Yugoslavia before the advancing Red Armies have created a condition of congestion in the U.S. Zone which forces the most careful conservation of housing space. At this moment the U.S. Zone is under orders to absorb 152,000 more Germans from Austria. Added to this influx of population, there is the loss of housing in bombed-out cities, averaging well over 50 percent; the necessity for billeting large numbers of our troops; and the accommodation required for prisoners of war. The resulting housing shortage is not merely acute, but desperate. Notwithstanding this situation, in my recent inspections and those made by my staff of Jewish centers, although crowded conditions were found, in nearly every instance more than the 30 square feet per person of floor space required for our soldiers was available.

Displaced persons have absolute preference over Germans for housing, but the requirements of the distribution of supplies, the provision of medical care, and the need for welfare activities make it desirable that displaced persons be sufficiently concentrated so that these services may be performed efficiently by the limited supervisory personnel and transport at our disposal. Thus, considerable use has been made of large installations such as brick barracks, apartment blocks and other public buildings in preference to scattered individual billets.

Special centers have been established for Jewish displaced persons. In the latter part of June, the Armies were directed to collect into special assembly centers displaced persons who did not wish to or who could not be repatriated. On 25 July 1945, Dr. Rabbi Israel Goldstein, President of the United Jewish Appeal, recommended that non-repatriable Jews be separated from other stateless people, and placed in exclusively Jewish centers. As a result, the American Joint Distribution Committee was called upon to supervise the establishment of these centers. This policy was reiterated and expanded on 22 August. Special Jewish centers were established for "those Jews who are without nationality or those not Soviet citizens who do not desire to return to their country of origin".

At the time of Mr. Harrison's report there were perhaps 1,000 Jews still in their former concen-

tration camps. These were too sick to be moved at that time. No Jewish or other displaced persons have been housed in these places longer than was absolutely necessary for medical quarantine and recovery from acute illness. It has always been our practice, not just our policy, to remove these victims with the utmost speed from concentration camps.

The assertion that our military guards are now substituting for SS troops is definitely misleading. One reason for limiting the numbers permitted to leave our assembly centers was depredation and banditry by displaced persons themselves. Despite all precautions, more than 2,000 of them died from drinking methylated alcohol and other types of poisonous liquor. Many others died by violence or were injured while circulating outside our assembly centers. Perhaps then we were over-zealous in our surveillance. However, my present policy is expressed in a letter to subordinate commanders wherein I said:

Necessary guarding should be done by displaced persons themselves on the volunteer system and without arms. Military supervisors may be employed, but will not be used as sentries except in emergency. Everything should be done to encourage displaced persons to understand that they have been freed from tyranny, and that the supervision exercised over them is merely that necessary for their own protection and well-being, and to facilitate essential maintenance.

I feel that we have problems of shelter and surveillance in hand. Of equal importance is the provision of sufficient and appetizing food. In the past, a 2,000-calorie minimum diet was prescribed for all displaced persons in approved centers. Our field inspections have shown that in many places this scale was consistently exceeded, but there have also been sporadic instances where it was not met. Three or four thousand persons of the persecuted categories, including German Jews, in the American Zone have returned to their home communities. Many are there making a genuine effort to re-establish themselves. Until recently, there has been no clear-cut system of assuring adequate food for this group, although in most cases they have been given double rations.

I have recently raised the daily caloric food value per person for ordinary displaced persons in

approved centers to 2,300, and for racial, religious and political persecutees to a minimum of 2,500. Feeding standards have also been prescribed and sufficient Red Cross food parcels and imported Civil Affairs/Military Government foodstuffs are on hand to supplement indigenous supplies and meet requisitions to maintain these standards. We are now issuing a directive that those Jews and other persecuted persons who choose and are able to return to their communities will receive a minimum ration of 2,500 calories per day, as well as clothing and shoes, the same as those in centers.

Clothing and shoes are available in adequate amounts and of suitable types. Uniformly excellent medical attention is available to all Jewish people in our centers where they have generally adequate sanitary facilities. UNRRA and AJDC staffs, which are administering an increasing number of our centers, are becoming efficient, and are making it possible for these people to enjoy spiritually uplifting religious programs as well as schooling for children.

It is freely admitted that there is need for improvement. The schools need more books; leisure-time and welfare activities must be further developed; paid employment outside the centers needs to be fostered; additional quantities of furniture, bedding and fuel must be obtained. We have made progress in re-uniting families, but postal communications between displaced persons and their relatives and friends cannot yet be inaugurated; roads and walks must be improved in anticipation of continuing wet weather. We are con-

scious of these problems, we are working on them, and we have expert advice of UNRRA, of Jewish Agencies, and of our chaplains.

In certain instances we have fallen below standard, but I should like to point out that a whole army has been faced with the intricate problems of readjusting from combat to mass repatriation, and then to the present static phase with its unique welfare problems. Anticipating this phase, I have fostered since before D-Day the development of UNRRA so that persons of professional competence in that organization might take over greater responsibilities, and release our combat men and officers from this most difficult work.

You can expect our continued activity to meet the needs of persecuted people. Perfection never will be attained, Mr. President, but real and honest efforts are being made to provide suitable living conditions for these persecuted people until they can be permanently resettled in other areas.

Mr. Harrison's report gives little regard to the problems faced, the real success attained in saving the lives of thousands of Jewish and other concentration camp victims and repatriating those who could and wished to be repatriated, and the progress made in two months to bring these unfortunates who remained under our jurisdiction from the depths of physical degeneration to a condition of health and essential comfort. I have personally been witness to the expressed gratitude of many of these people for these things.

Respectfully,

DWIGHT D. EISENHOWER

Anniversary of Czechoslovak Independence

Statement by THE PRESIDENT

[Released to the press by the White House October 22]

On the anniversary of Czechoslovak independence, I wish to extend my own personal greetings and the whole-hearted congratulations of the American people to President Beneš and the people of Czechoslovakia. This commemoration of the founding of the Czechoslovak Republic is of particular significance in marking the first time since the German occupation that the Czechoslovak people have been able to celebrate their independence in their own homeland as a free people.

The realization that the principles of democracy and freedom, out of which the Republic was born

twenty-seven years ago, have been victorious in two world wars, will inspire the Czechoslovak people to make once more their contribution to world peace.

The American people watch with sympathetic interest the diligent efforts now being made by the Czechoslovak people to erase the effects of the Nazi rule and to restore their independent national life on the traditions which have always been identified with the Czechoslovak Republic. I am confident that the American people will aid the Czechoslovak people in every way possible to achieve this goal.

Arrangements with Belgium on Financial and Supply Problems

[Released to the press October 20]

The following joint statement by the Governments of the United States and Belgium is being released simultaneously in Washington and Brussels:

The Government of the United States and the Government of Belgium today announced the conclusion of arrangements with respect to certain urgent financial and supply problems created by the economic support given by Belgium to the United States armed forces and the termination of lend-lease aid to Belgium. Up to V-J Day, Belgium provided at least 90 million dollars more in goods and services as reverse lend-lease than it had received from the United States under lend-lease. This excess of reciprocal aid is largely the result of the very cooperative attitude of Belgium in unstintingly furnishing from its own limited resources whatever was requested by our armed forces after liberation. The goods and services which the Belgians provided went directly to United States troops. This aid was an important factor in the prosecution of the war against Germany, and continues to be important in the support of the United States occupation forces in Germany, and in the redeployment and evacuation of United States troops and equipment from Europe.

The excess of reciprocal aid which Belgium provided has created serious economic problems for Belgium, at a time when there were insufficient consumer supplies and when the productivity of Belgian industry was still suffering from the ravages of war and the burdens imposed upon it by the occupation.

To alleviate these economic consequences of the Belgian support of the Allied cause and to strengthen Belgium in the interest of the United States armed forces still in Europe and continuing to draw heavily on Belgian resources for transportation and other services, the United States

Government has authorized that the following steps be taken:

The United States will pay dollars to Belgium, on a monthly basis, for the francs advanced to the United States Army by the Belgian Government after September 2, 1945. Heretofore these dollar payments have been made on a deferred basis except for 23 million dollars paid during the current year. As a result of the present negotiations, a further payment of 61 million dollars has already been made on account of net troop pay advances made in francs by the Belgian Government prior to September 2, 1945.

The United States has also agreed to make dollar payment for all goods and services furnished to United States armed forces after September 2, 1945. These goods and services prior to V-J Day were furnished by the Belgian Government as reciprocal aid, without charge to the United States Army. As noted above, by V-J Day these goods and services exceeded by at least 90 million dollars all the lend-lease aid authorized to be given to Belgium.

In view of this excess of reciprocal aid, the United States Government has further agreed to offset against it the amounts which the Belgian Government is required to pay under the 3 (c) lend-lease agreement of April 17, 1945. The 3 (c) agreement between the United States and Belgium provides that whatever goods the United States may transfer under its terms to Belgium after V-J Day shall be paid for on a credit basis. On August 17 the President authorized the transfer of certain goods and services to Belgium under terms of this agreement following V-J Day. The amount of goods and services to be so transferred is approximately 42 million dollars. The recent action of the United States Government means that this debt will be considered to be satisfied by reason of the extent to which Belgian reverse lend-lease exceeds lend-lease heretofore provided by United States.

In addition the United States Government has authorized the transfer to Belgium of articles having civilian utility which the United States Army no longer requires for its own uses. The United States Army has substantial quantities of equipment, clothing and foodstuffs which are greatly needed by liberated areas of Europe and which would otherwise be declared surplus. There is a great deal of this kind of property in Belgium. Most important of such items are medical supplies, clothing and shoes, trucks and trailers, building materials, and reconstruction equipment and certain raw materials. Under the arrangements announced today the Belgian Government will be permitted to select up to 45 million dollars of such articles, to be transferred under straight lend-lease. The articles transferred will be of the types which were to be supplied under the 3 (c) agreement between the United States and Belgium, and their transfer to Belgium at this time will serve to improve the Belgian economic situation and to strengthen those activities of the Belgian economy which are still important to the servicing and supplying of our occupation forces and the evacuation of our troops from Europe.

These arrangements, it is felt by both Governments, will facilitate the conclusion of a final settlement of lend-lease under the master agreement. Conversations looking toward such a final settlement, which would include agreed action contemplated in article VII of the agreement, including questions of commercial policy, will be held between the two governments in the near future.

During the negotiations consideration was also given to questions pertaining to commercial policy and the desire of the United States Government that discussions be held in the immediate future on mutually advantageous measures with a view to the elimination of all forms of discriminatory treatment in international commerce, payments and investments, with the objective of expanding production and increasing employment. It is understood that the Governments of Belgium and the United States mutually agree to confer together in the near future on questions of commercial policy and, pending such a conference, to avoid the adoption of new measures affecting international trade, payments or investments which would prejudice the objective of such a conference. It was also suggested that the two governments should mutually agree to afford to

each other adequate opportunity for consultation regarding such measures.

Principal delegates in the negotiations which have been conducted over the period of several weeks were:

For the United States:

Mr. Willard L. Thorp, Deputy to the Honorable William L. Clayton, Assistant Secretary of State, assisted by officers from State, Treasury, and FEA.

For Belgium:

M. Paul Henri Spaak, Minister of Foreign Affairs

M. Paul Kronacker, Minister of Supply

M. Camille Gutt, Minister of State, assisted by technical advisers from the Office of Mutual Aid, the Foreign Office and the Ministry of Supply.

Henry F. Grady To Observe Greek Elections

Statement by THE SECRETARY OF STATE

[Released to the press October 20]

The President has authorized me to announce that he has today appointed Henry F. Grady as his personal representative to head the American group which will participate with representatives of the British and French Governments in observing the forthcoming elections in Greece.

Dr. Grady will have the personal rank of Ambassador. This appointment follows the acceptance by this Government of the invitation extended to it by the Greek Government last August. This action is taken in accordance with responsibilities which the American Government accepted at the Crimea Conference to assist the peoples of European countries formerly occupied or dominated by Nazi Germany in solving their political problems by democratic means and in creating democratic institutions of their own choice.

Dr. Grady has served the Government of the United States in many important capacities since 1918. He laid the basis for, and negotiated, many of the trade agreements concluded by the United States during the administration of President Roosevelt. He has served as Vice Chairman of the Tariff Commission and as Chairman of the

Committee for Reciprocity Information. During the years 1939 to 1941, he was Assistant Secretary of State. During the war period he successfully carried out three important missions for the American Government: one to the Far East and India in 1941 in connection with the problem of raw materials; another as Head of the Technical Commission to India to study ways and means of increasing India's war production; a third as Vice Chairman in Charge of Economic Matters for the Allied Control Commission of Italy. Among the positions held by him at present is the presidency of the American President Lines.

Recognition of Provisional Austrian Government

[Released to the press October 15]

In accordance with the resolution of the Allied Council in Austria of October 1, 1945, the members of the Council recommended to their respective governments that the authority of the Provisional Austrian Government, subject to the guidance and control of the Allied Council as the supreme authority in Austria, be extended to the whole of Austria. The Provisional Austrian Government was reconstituted by the Austrian Provincial Conference of September 24-26, 1945 so as to broaden the basis of its political representation. The American Government has instructed its representative on the Allied Council that it is prepared to recognize the Provisional Austrian Government on this basis.

In submitting their recommendations, the members of the Allied Council stated that one of the main duties of the Provisional Austrian Government will be the holding of national elections not later than December 1945. The Council furthermore resolved that a democratic press be permitted to function in Austria. The American Government approves these recommendations and regards them as an important step in fulfilling the Declaration on Austria of November 1, 1943.¹ That Declaration, made by the powers now represented on the Allied Council, provided that Austria should be liberated from German domination and reestablished as a free and independent state.

Decision by Allied Council in Austria²

The Council examined the question of the Provisional Austrian Government and are making recommendations to their respective governments.

The Council decided on the reestablishment of a free press in the whole of Austria subject only to conditions of military security. They also decided that effective December 1 the wearing of military uniforms unless dyed a color other than grey or khaki is forbidden to former personnel of the German Army and to Austrian civilians.

Postponement of Marshal Zhukov's Visit to the United States

[Released to the press by the White House October 20]

General Eisenhower has forwarded to the War Department the following letter addressed to him by Marshal Zhukov:

I would like you to convey to President Truman my deep gratitude for the invitation to visit your country. I valued highly the invitation, as I have always hoped to visit the United States. The trip would have given me the opportunity to get to know the President personally, as well as to get acquainted with the outstanding leaders of the American Army with whose amity and combat comradeship I spent the war. Unfortunately, however, I have been taken ill and still do not feel strong enough for a long journey. In addition, with the coming of the winter there are many difficult organizational problems confronting our forces and to undertake the trip a little later would be extremely difficult.

I am forced, consequently, to postpone my trip to the United States until next year.

I wish to ask you to transmit to the President my excuses, regards and best wishes. With sincere respects,

ZHUKOV

¹ BULLETIN of Nov. 6, 1943, p. 310.

² Communiqué issued Oct. 1 by the Allied Council.

Reestablishment of the International Regime in Tangier

[Released to the press October 18]

It will be recalled that the Conference of Experts on Tangier which met in Paris during August adopted a number of resolutions looking toward the reestablishment of the international regime in Tangier. A final act containing the decisions of the conference, as well as an Anglo-French agreement on the same subject, was signed in Paris on August 31, 1945. Mr. Henry S. Villard, Chief of the Division of African Affairs of the Department of State, signed the final act for the United States; Mr. C. B. P. Peake for the United Kingdom; Mr. Jacques Meyrier for France; and Mr. S. P. Kozyrev for the Union of Soviet Socialist Republics.

Immediately following the conference, certified copies of these two documents were communicated by the French Government to the following governments participating in the Statute of Tangier: Belgium, the Netherlands, Portugal, and Sweden. All of these have now signified their adherence. A separate communication was addressed to the Spanish Government by the Governments of France and Great Britain, as a result of which Spain withdrew from unilateral occupation of Tangier and turned over the administration of the International Zone on October 11 to the Committee of Control. The Spanish Government, however, also made known its adherence and will participate in the provisional regime as established by the conference at Paris.

The Mendoub, personal representative of the Sultan of Morocco, accompanied by a body of Sherifian police forces, returned to Tangier on October 11.

The United States is represented on the Committee of Control by Mr. Paul H. Alling, American Diplomatic Agent and Consul General at Tangier. The Committee of Control has elected a Portuguese national, Vice Admiral Luis Antonio de Magalhães Correia, as Administrator of the Zone. Mr. François Cracco, a Belgian national, has been elected Assistant Administrator for Finance.

The following are the texts of the agreements reached at the Conference:

FINAL ACT

OF THE CONFERENCE CONCERNING THE REESTABLISHMENT OF THE INTERNATIONAL REGIME IN TANGIER HELD IN PARIS IN AUGUST, 1945, BETWEEN THE REPRESENTATIVES OF THE GOVERNMENTS OF THE UNITED STATES OF AMERICA, THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, FRANCE AND THE UNION OF SOVIET SOCIALIST REPUBLICS

The Conference met at the invitation of the French Government at the Ministry of Foreign Affairs in Paris on the 10th of August, 1945, and completed its work on 31st of August, 1945.

The following were present at the Conference as members of the Delegations:

For the Government of the United States of America:

Mr. H. S. VILLARD, Head of the African Division in the State Department

Mr. J. RIVES CHILDS, Consul General of the United States at Tangier

Mr. WILLIAM PERRY GEORGE, Counsellor of Embassy

Mr. E. J. DEMPSTER of the American Legation at Tangier

For the Government of the United Kingdom of Great Britain and Northern Ireland:

Mr. C. B. P. PEAKE, Consul-General at Tangier

Mr. W. E. BECKETT, Legal Adviser to the Foreign Office

Mr. W. S. EDMONDS, retired Consul-General

Mr. I. P. GARRAN, First Secretary at the Foreign Office

For the Provisional Government of the French Republic:

Monsieur MEYRIER, Minister Plenipotentiary, Director General at the Ministry of Foreign Affairs

MONSIEUR DE BEAUVERGER, Minister Plenipotentiary in charge of the French Consulate-General at Tangier

MONSIEUR CHANCEL, Consul-General, Adviser to the Sherifian Government

MONSIEUR BARADUC, Counsellor of Embassy at the Ministry of Foreign Affairs

MONSIEUR GUIRAMAND, attached to the Minister of Foreign Affairs

For the Government of the Union of Soviet Socialist Republics:

MONSIEUR S. P. KOZYREV, Minister Plenipotentiary, head of the First European Department at the People's Commissariat of Foreign Affairs of the U. S. S. R.

MONSIEUR V. N. DOURDENEVSKI, Professor of international law

MONSIEUR F. I. VIDIASOV, First Secretary of the Embassy of the U. S. S. R. at Paris

Commander BONDARENKO, expert

Monsieur Meyrier, Head of the French Delegation, accepted the chairmanship of the conference on the invitation of the other delegations.

The Conference decided to recommend to the governments the adoption of the following resolutions:

Resolution No. 1

1. The Powers parties to the Act of Algeciras as set out in Article 2 of the annexed Agreement should be informed immediately by the French Government that a Conference of those Powers will be convened to meet at Paris not later than six months from the day on which the provisional régime, based on the Statute of 1923, shall have been established in the Tangier Zone, for the purpose of considering the amendments to the Conventions in force which may be proposed by any of these Powers.

2. The above mentioned Powers should be informed at the same time that any of them who wish to propose amendments to these Conventions should communicate within the two following months to the President of the Committee of Control at Tangier a memorandum explaining where necessary the reasons why any change in the existing régime is considered desirable, the principles on which any proposed amendments are based and of what precisely the proposed amendments consist. These provisions shall not however be deemed to prevent the Powers from presenting other proposals at a later date or at the Conference.

3. The Committee of Control should proceed to the study of the memoranda received and of all the provisions on which the present régime in the Zone is based. Before the end of the period of six months referred to in paragraph 1, the Committee should formulate an opinion on the questions which have been raised and, if there appears to be any need for it, draw up the text of a draft general convention for use at the Conference of the Algeciras Powers. All questions on which the Committee of Control has not been able to reach agreement should be reserved for the Conference.

Resolution No. 2

1. The Agreement, of which the text is annexed to the Final Act after having been discussed and approved at the Conference, should be signed immediately on behalf of the Governments of the United Kingdom and France and submitted without delay to the Governments of Belgium, Spain, the Netherlands, Portugal and Sweden with an invitation to these Governments to accede thereto.

2. The Conference desires to place on record that:—

(a) in connexion with the text of Article 7 (b) of the Agreement annexed to the present Final Act it was only possible to reach agreement on this text because the whole question of the competence, composition and the methods of the election of the Assembly will be examined at the Conference provided for in Resolution 1; and

(b) after discussing the question of the surveillance of the coast of the Tangier Zone which is dealt with in Article 4 of the Tangier Statute of 1923 as modified in 1928, it considered the stationing of war vessels in the Tangier zone impracticable for the purpose in question during the period of the provisional régime, and decided to leave this question for the Conference referred to in Resolution No. 1.

Resolution No. 3

In view of the expression by the United Kingdom and French Delegations of the desire of their Governments that the Governments of the United States of America and of the Union of Soviet Socialist Republics should collaborate in the provisional régime, the invitation should be transmitted to these Governments by the French Government and the subsequent procedure should be in accordance with the provisions of Article 3 of the Agreement annexed to the Final Act.

Resolution No. 4

Under the final Statute of the Tangier Zone the Governments of the United States of America and the Union of Soviet Socialist Republics should each be entitled, if the present judicial organisation is maintained, to be represented on the Mixed Tribunal by a titular judge in the same manner as the Governments of France and the United Kingdom.

Resolution No. 5

The approach to the Spanish Government for the purpose of securing the withdrawal of the Spanish administration from the Tangier Zone and the putting into force of the Agreement annexed to the Final Act should be made immediately by the United Kingdom and French Governments.

Resolution No. 6

The Committee of Control should remove from the service of the Administration of Tangier all persons who are considered undesirable on account of political activity, or participation in associations or parties whose aims are contrary to the principles set forth in the Charter of the United Nations referred to in the Declaration of the Conference at Potsdam. The Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland, France and the Union of Soviet Socialist Republics should give appropriate instructions to this effect to their respective representatives in the Committee of Control.

Resolution No. 7

1. The Governments of the United States of America, France, the United Kingdom of Great Britain and Northern Ireland and the Union of Soviet Socialist Republics should examine, if necessary, at the request of the Committee of Control, the measures to be taken to ensure the repayment of advances made by the State Bank of Morocco to the provisional administration of the Tangier Zone, in accordance with Article 5 of the Agreement annexed to this Final Act.

2. The Governments of the United States of America, France, the United Kingdom of Great Britain and Northern Ireland and the Union of Soviet Socialist Republics should, if necessary, lend the Committee of Control all assistance required to assure the provisioning of the Zone.

Resolution No. 8

The Governments of Belgium, the Netherlands, Portugal and Sweden should be requested at the

time of the transmission to them of the Final Act, to transmit to the President of the Committee of Control at Tangier most immediately and in any case within two weeks of today's date the names of persons who are their nationals and are considered suitable and are willing to occupy the following posts in the Tangier Zone during the provisional régime, namely

- (1) Administrator of the Zone,
- (2) Assistant Administrator for Finance, and
- (3) Commandant and 10 officers for the Tangier Zone Police Force.

Resolution No. 9

Monsieur le Fur should be engaged as technical adviser of the Committee of Control in order to re-establish the administration of the zone. He should act as Administrator until the titular administrator has been appointed and has taken up his post.

The Conference took note of the following declaration made by the Soviet delegation:

"In signing this Final Act the Soviet delegation adheres to the view which it expressed previously to the effect that, although the Spanish people is incontestably interested in the administration of the international zone of Tangier and although Spain must finally be called to participate in the appropriate international organisms, this participation of Spain in the administrative organisms of the Zone of Tangier cannot be allowed until General Franco's régime in Spain, which was established with the support of the Axis Powers and which in no measure represents the Spanish people, shall be replaced by a democratic régime."

The Conference also took note of the following declaration made by the American, British and French delegations:

1. The American, British and French delegations consider that the participation of Spain in the provisional administration of Tangier does not imply in any sense a departure from the Potsdam declaration of 2nd August, 1945 but represents in the present circumstances the sole practicable means of taking into account the interests of the Spanish nation and people in the settlement of the Tangier question.

2. While considering that the Conference of the Powers signatory to the Act of Algeciras should not be held without Spain, the three delegations do not think it desirable that Spain should be

invited to the Conference as long as the present Government in Spain continues in power; they suggest that at the appropriate moment the French Government should consult on the question of the Conference with the United States, British and Soviet Governments.

In witness whereof the undersigned have signed the present Final Act.

Done at Paris in quadruplicate this 31st day of August, 1945 in English, French and Russian, all three texts being equally authentic.

ANGLO-FRENCH AGREEMENT FOR THE RE-ESTABLISHMENT OF THE INTERNATIONAL ADMINISTRATION OF TANGIER

The Government of the United Kingdom of Great Britain and Northern Ireland and the Provisional Government of the French Republic:

Being desirous of re-establishing as soon as possible in the Tangier Zone of Morocco an international régime in accordance with the conclusions of the Conference held at Paris in August, 1945, between the Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland, France and the Union of Soviet Socialist Republics: and

Considering that it is desirable to establish in the said Zone a provisional régime based on the Convention signed at Paris on the 18th December, 1923, to operate until a revised Tangier Statute has been agreed and can be put into force:

Have therefore decided to conclude an Agreement for this purpose and have appointed as their plenipotentiaries:

The Government of the United Kingdom of Great Britain and Northern Ireland:

Mr. CHARLES BRINSLEY PEMBERTON PEAKE,
His Britannic Majesty's Consul-General at
Tangier;

The Provisional Government of the French Republic:

Monsieur JACQUES MEYRIER, Minister Plenipotentiary, Director-General at the Ministry of Foreign Affairs:

Who, being furnished with full powers found in good and due form, have agreed as follows.

Article 1.

From 11th October 1945 until a Convention drawn up at the Conference referred to in Article 2 below has come into force, the Tangier Zone of Morocco shall be provisionally administered in

accordance with the Convention of the 18th December, 1923, (and the Agreement of the 25th July, 1928, amending the same) as modified by the provisions of the present Agreement.

Article 2.

(a) As soon as possible and not later than six months from the establishment of the provisional régime, the French Government will convoke a Conference at Paris of the following Powers parties to the Act of Algeciras: The United States of America, Belgium, the United Kingdom of Great Britain and Northern Ireland, Spain, France, the Netherlands, Portugal, Sweden, the Union of Soviet Socialist Republics and, subject to Article 11 below, Italy.

(b) The preparatory work for the said Conference shall be undertaken by the Committee of Control at Tangier in accordance with Resolution No. 1 of the Conference at Paris referred to in the Preamble of this Agreement.

Article 3.

(a) The Governments of the United States of America and the Union of Soviet Socialist Republics, although not parties to the Convention of the 18th December, 1923, are invited to collaborate in the provisional régime of the Tangier Zone in accordance with the provisions of this Agreement.

(b) The French Government will inform the Governments of the Powers referred to in Article 2 (a) above of the acceptance of this invitation.

Article 4.

(a) Upon 11th October 1945 the Spanish Government will hand over to the Committee of Control the administration of the Zone and the archives of the administration, and to the International Cape Spartel Lighthouse Commission the administration of that lighthouse.

(b) The properties, offices and establishments belonging to the French and Sherifian Governments shall be handed over at the same time to the representatives of those Governments. Private property in the Zone which has been seized by the Spanish authorities shall be restored to the owners not later than the 11th October, 1945. The provisions of this paragraph do not prejudice the right of any Government concerned to claim compensation in respect of the seizure or detention of such property or of any other matter.

(c) The withdrawal from the Zone of all Spanish military, naval, air and police forces as well

as all establishments and material of a military character shall be completed by 11th October, 1945. All Spanish establishments and material of a military character which shall not have been withdrawn on this date shall become the property of the Administration of the Tangier Zone.

(d) The Spanish Government will be responsible for all financial liabilities of the Zone contracted between 13th June 1940, and 11th October, 1945.

(e) The Committee of Control may meet before 11th October, 1945, and make all necessary arrangements for the putting into force of the present Agreement.

Article 5.

Any advances of funds which may be necessary for the functioning of the public services of the Zone until adequate financial measures have been taken by the provisional administration shall be furnished by the State Bank of Morocco under conditions agreed by the Committee of Control.

Article 6.

(a) The Committee of Control, having obtained from the Administration the necessary report or reports, shall determine which of the decrees, laws and regulations enacted and concessions granted between 13th June, 1940, and the 11th October 1945 shall be repealed, amended or maintained and draw up the necessary legislation to give effect to these decisions. All laws, decrees and regulations which are contrary to particular provisions of the Statute of 1923 shall be included in the measures to be repealed.

(b) The Mendoub shall promulgate immediately the legislation referred to in paragraph (a) of this Article.

Article 7.

During the period of the provisional administration of the Zone, the Convention of the 18th December, 1923, (as amended in 1928) shall operate, subject to the following modifications:—

(a) The Governments of the United States of America and the Union of Soviet Socialist Republics shall have the right to appoint their representatives in Tangier as members of the Committee of Control. The first member of the Committee of Control to fulfil the functions of President as from 11th October, 1945, shall be the French representative and thereafter the presidency shall devolve by rotation in accordance with Article 30 of the Convention of 1923. In the absence of any

stipulation to the contrary a decision of the Committee of Control will be taken by an affirmative vote of a majority of the members of the Committee. In case of an equal division the President shall have a casting vote.

(b) The International Legislative Assembly referred to in Article 34 of the Convention of 18th December 1923 shall be composed of:

- 4 members of French nationality,
- 4 members of Spanish nationality,
- 3 members of British nationality,
- 3 members of United States nationality,
- 3 members nationals of the Union of Soviet Socialist Republics,
- 1 member of Italian nationality,
- 1 member of Belgian nationality,
- 1 member of Netherlands nationality,
- 1 member of Portuguese nationality,

nominated by their respective Consulates, and in addition:

- 6 Mussulman subjects of His Majesty the Sultan nominated by the Mendoub and
- 3 Jewish subjects of His Majesty the Sultan nominated by the Mendoub and chosen from a list of nine names submitted by the Jewish community of Tangier.

Until the Legislative Assembly has been constituted the powers which are conferred upon it shall be exercised, in cases of urgency, by the Committee of Control.

Further, the Committee of Control shall have the power at any time to adopt, by regulation passed by a majority of two-thirds of its members and stating the reasons for this course, measures relating to any matter which under the Statute falls within the competence of the Legislative Assembly. All regulations so made shall be promulgated, published and put into force in the same manner as measures passed in corresponding cases by the Assembly.

(c) The Administrator of the Zone shall be a person of Belgian, Netherlands, Portuguese or Swedish nationality selected by the Committee of Control.

He shall be aided by an Assistant Administrator of French nationality selected by the French Government, who shall be adviser for Moroccan Affairs, and by an Assistant Administrator for Finance of Belgian, Netherlands, Portuguese or Swedish nationality selected by the Committee of Control.

The Administrator and Assistant Administra-

tors shall be appointed by His Sherifian Majesty on the request of the Committee of Control.

(d) The provisions of Article 10 (paragraphs 3 *et seq.*) and of Article 47 of the Tangier Statute, relating to the gendarmerie, the police, the Mixed Intelligence Bureau and the Inspector-General of Security shall be abrogated and replaced by the following provisions:—

The policing of the Zone shall be maintained by a single police force to be organised as soon as possible and recruited so far as possible from inhabitants of the Zone. The Commandant, Deputy-Commandant, officers and technical advisers of this police force shall be appointed by Sherifian dahir upon the proposal of the Committee of Control and, except the Deputy Commandant who shall be a French national, selected from persons of Belgian, Netherlands, Portuguese, or Swedish nationality. The cost of this police force shall be borne by the Administration of the Zone.

The authorities of the French and Spanish Zones shall have the right to appoint to the police administration of Tangier liaison officers to deal with police questions affecting their respective Zones. Every facility for the fulfilment of their duties shall be accorded to these officers. Until the police force referred to above has been constituted, the policing of the Tangier Zone shall be undertaken by a police force supplied by the French or Sherifian Governments.

(e) Without prejudice to the provisions of Article 29 of the Statute of the Zone, the Committee of Control shall also have the power of deportation in the case of persons justiciable by the Mixed Court whose presence in the Zone constitutes a threat to public order. In any case where this power is exercised an affirmative vote of two-thirds of the members of the Committee shall be required after the case of the person whose deportation is proposed has been investigated by the police authorities of the Zone and heard by a member of the Committee selected for this purpose.

(f) Nothing in the Statute shall be deemed to prevent the administration from taking, with the approval of the Committee of Control, in exceptional circumstances such measures as may be required in order to assure the arrival and distribution of supplies necessary for the maintenance of the life of the inhabitants.

Article 8.

The Committee of Control may at any time while the present Agreement remains in force adopt by unanimous vote any amendments thereto which it considers desirable. Such modifications shall be recorded in protocols signed by the members of the Committee of Control, specifying the date as from which they shall operate. These modifications shall be immediately submitted to His Sherifian Majesty for his approval and for the enactment of the necessary dahir.

Article 9.

(a) The present Agreement shall be ratified and the instruments of ratification shall be exchanged at Paris as soon as possible. It will however be put into force immediately without awaiting the exchange of ratifications.

(b) The present agreement shall be at once submitted to His Sherifian Majesty for his approval and for the enactment of the necessary dahir to give effect thereto.

Article 10.

Certified copies of the present Agreement shall be immediately communicated by the French Government to the Governments of Belgium, Spain, the Netherlands, Portugal and Sweden. The Governments of the United Kingdom and France undertake to collaborate in inviting the accession of the above mentioned Governments to the Agreement. In the case of those governments whose constitutional law requires the fulfilment of a process equivalent to ratification prior to accession, accession may be notified in the first place subject to ratification.

Article 11.

(a) The provisions of the Agreement and dahirs of 1928, in so far as they altered the conditions in which the Italian Government is entitled to participate in the administration of the Zone, shall cease to operate.

(b) The Italian Government shall be invited to accede to the present Agreement at such time as the other Governments parties thereto shall agree and subject to any relevant provisions of the peace treaty with Italy.

In witness whereof the above mentioned plenipotentiaries have signed the present Agreement and affixed thereto their seals.

Done at Paris in duplicate this 31st day of August, 1945, in English, and French, both texts being equally authentic.

Meeting of United Nations Food and Agriculture Organization

MESSAGE OF PRESIDENT TRUMAN¹

To the Delegates to the United Nations Food and Agriculture Organization:

My thoughts and the thoughts of the people of the United States of America today turn toward Quebec. The first conference of the Food and Agriculture Organization of the United Nations is truly a momentous occasion. It is an occasion on which the people of the United Nations begin to cultivate, if not yet to gather, the fruits of victory.

If we had not won our victory through common effort and common sacrifice, a meeting such as this would have been impossible. There would have been no room in the world for candor and decency and mutual helpfulness. Certainly there would have been no room for an international organization dedicated to these two simple propositions: first, that people in all parts of the world can and should have plenty of food and of other products of the farm; and second, that the world's people who draw wealth from the earth and sea can and should enjoy their fair share of the good things of life.

These are high goals. Neither the world nor any single nation has as yet even come close to achieving either. It will take time to reach them. Creation of a Food and Agriculture Organization in itself will not be enough; we must look to the patient cooperation of the family of nations through FAO and other means. But the work you are beginning at Quebec is an essential step forward, and a long one.

The world is watching your efforts for still another reason. The Food and Agriculture Organization is the first of the new permanent world organizations to grow out of the wartime cooperation of the United Nations. Its early stages, for good or ill, will do much to set the pattern for the

other world organizations that must follow if we are to succeed in building a foundation for world peace and prosperity.

It is particularly fortunate that your meeting comes at this time, when some of the problems and difficulties that must inevitably follow military victory in so great a war have made themselves felt so keenly. The tasks of repairing the ravages of war and building for a saner future are tremendous. Each day it becomes clearer that in many ways we must work harder to win the peace than we did to win the war. But we know that the peace can be won. One of the major victories can be won at Quebec.

The United States is eager and proud to take its full part in your efforts. The success of this all-important first step in the life of the food and agriculture organization is the primary aim of my country's delegation. Its members come to this conference prepared to work together with the delegations of other nations for the good of all, and to bear their full share of the responsibility for a successful outcome.

Please convey my best wishes to the delegates of the host Government of the Dominion of Canada and to the delegates from the other United Nations. Much depends on your work during the days ahead. I am fully confident you will accomplish your purpose, no matter what obstacles may arise. Working together you cannot fail.

HARRY TRUMAN

SIGNING OF THE FAO CONSTITUTION

The Food and Agriculture Organization officially came into being on the afternoon of October 16 when delegates of 30 nations signed the constitution in the opening session of the Organization's first conference at Quebec.

The ceremony, starting at 4 p. m., was opened by L. B. Pearson, Chairman of the Interim Commission. The Hon. Ernest Bertrand, Postmaster

¹ Read by Clinton P. Anderson, Secretary of Agriculture and leader of the United States Delegation, at the second plenary session of the meeting of the United Nations Food and Agriculture Organization at Quebec on Oct. 17, 1945.

General of Canada, made the welcoming address on behalf of the Canadian Government. Responses were made by Mr. Tanguy-Prigent, head of the French Delegation, and Sir Girja Bajpai, Agent General for India.

Afixing of the actual signatures was done on the stage of the Chateau Frontenac ballroom. With a few exceptions that resulted from the late arrival of delegates, the delegates signed in alphabetical order: Australia, Belgium, China, Canada, Dominican Republic, Denmark, Egypt, France, Guatemala, Greece, Haiti, Honduras, Iceland, India, Iraq, Liberia, Luxembourg, Czechoslovakia, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Panama, Peru, Philippine Commonwealth, Union of South Africa, United Kingdom, United States, Venezuela.

Technically, FAO came into being with the signature of the Netherlands, the twentieth nation to sign. The U.S.S.R. did not sign the constitution. Vasili Sergeev, head of the Delegation, arrived in Quebec on October 16, but said that the communications from his government necessary to authorize signature were on the way but had not yet been received. In the meantime the Russian Delegation will act in the capacity of observers.

Chile's Delegation is expected to sign the constitution in about a week, when its representative arrives. Representatives of Yugoslavia also are expected later, but have not yet arrived. Countries represented as observers are Lebanon and Syria.

Argentina, which was expected to be among the observers, has not as yet sent any representatives.

There is an evident effort to speed the work of the Conference. The provisional schedule was telescoped so that the first plenary session could be held at 9 o'clock on the evening of October 16.

The order of business of the first plenary session included opening of the session by the chairman of the Interim Commission, formal recognition of the interim chairman as temporary Conference chairman, adoption of temporary rules of procedure, and appointments of the nominations committee. Clinton P. Anderson will serve as chairman of the Nomination Committee, and L. B. Pearson will serve as temporary chairman of the Conference.

ORGANIZATION OF COMMISSIONS AND COMMITTEES

Preliminary work in getting the Conference started continued on October 17. Progress made in speeding business, however, was somewhat counterbalanced by an increase over the expected volume of speeches by the delegations. The organizations of commissions and committees may be effected by October 19 and committee meetings started by October 20. L. B. Pearson of Canada was chosen on October 17 as chairman of the Conference. Vice-chairmanships were voted to China and Mexico. The nine-man General Committee of the Conference (Steering Committee) elected at the session consists of Mr. Pearson, chairman, the two vice chairmen of the Conference, representatives of France, United Kingdom, United States, Australia, India, and the Netherlands. The Credentials Committee is made up of representatives of Belgium, United Kingdom, Norway, Peru, Liberia, Iraq, and the Commonwealth of the Philippines, a third vice chairman of the Conference, and two additional members of the General Committee. One of them to be a vice chairman of the Committee will be nominated subsequently. The vacancies were left in view of the fact that the Russian Delegation is expecting its credentials at any time and the delegations from Brazil, Chile, and Iran are expected shortly. At the afternoon session of October 17 Secretary Anderson read President Truman's message to the Conference and delegates from Belgium, France, China, and the Union of South Africa followed with formal addresses.

At the plenary session on the morning of October 18 the Conference acted quickly on four recommendations submitted by the General Committee. It adopted a report that the languages to be used at its proceedings shall be those that are adopted by the United Nations Organization. Pending that action by UNO the business of the Conference will be transacted in English. The matter of language had been raised yesterday by the French Delegation and referred to the General Committee.

The Conference formally established the two commissions suggested by the Interim Commission: Commission A on policy and programs, and Commission B on organization and administration.

On nomination of the General Committee, the Conference elected Dr. P. R. Viljoen of South Africa as chairman of Commission A and Mr. Anders F. Jelstad of Norway and Mr. David Wilson of New Zealand as vice chairmen; for chairman of Commission B, Mr. Henrik de Kauffman of Denmark; for vice chairmen of Commission B, Mr. Alberto Sevilla Sacasa of Nicaragua and Mr. Anis Azer of Egypt.

The Conference approved the General Committee's recommendation that the allocations of the agenda to the different commissions as set forth in the draft provisional program of work prepared by the Interim Commission be accepted.

The Conference approved the recommendation that applications of Syria and Lebanon for full membership be considered.

On October 18 Lourival Fontes, Brazilian Ambassador to Mexico, arrived at Quebec as his country's representative, and the Polish Delegation, headed by Stanislaw Mikolajczyk, also arrived.

L. B. Pearson, Conference chairman, reported that the Interim Commission had invited Turkey, Byelorussia, Ukrainian Republic, Syria, Lebanon, Saudi Arabia, and Argentina to send observers. The Conference confirmed the invitation.

Also on October 18, at the morning session the five technical reports prepared under the auspices of the Interim Commission were formally presented to the Conference with summary statements by Commission heads. The reports cover nutrition and food management, agricultural production, fisheries, forestry, and statistics.

Part of the morning session and practically all of the afternoon session were devoted to a continuation of formal statements of heads of delegations. Secretary Anderson made his statement at the start of the 3 o'clock session. Other speakers were Maximo Kalaw of the Philippine Commonwealth, Dr. Frantisek Pavlasek of Czechoslovakia, Dr. David Wilson of New Zealand, Dr. G. S. H. Barton of Canada, Mr. Frederick A. Price of Liberia, and Mr. A. Hoegsbro-Holm of Denmark.

For working purposes the Conference is divided into two commissions: Commission A on policy and programs and Commission B on organization and administration. Commission B met after the sixth plenary session had closed with the

statements of delegations that had not been heard thus far. On recommendation of Henrik de Kauffmann of Denmark, Commission chairman, the following committees and committee chairmen were approved: Rules and Procedure, Dr. Arthur Wanters of Belgium, chairman of the Belgian Food and Nutrition Commission; Finance Committee, J. B. Brigden of Australia, Financial Counselor of the Australian Legation in Washington; Administrative Arrangements Committee, K. S. Sis of China, Director of The National Bureau of Agricultural Research; Committee on Constitutional and Diplomatic Questions, Sir Girja Shankar Bajpai, Agent General for India in the United States.

Commission A met for the first time on October 19 under the chairmanship of Dr. P. R. Viljoen of South Africa. Senator Ehner Thomas is serving as United States member of the Commission. On the recommendation of the chairman the Commission agreed on the following names as committee chairmen: Nutrition, Andre Mayer of France, Vice President of College of France; Agriculture, Dr. E. S. Archibald of Canada, Director, Experimental Farms Service, Canadian Department of Agriculture. Two vice chairmen for the Agricultural Committees were selected: P. V. Cardon, United States Research Administrator, Agricultural Research Administration, Department of Agriculture, and S. L. Louwes, Netherlands Director General of Food Supply. Forestry Committee, Henry S. Graves, United States Professor Emeritus, Yale College of Forestry; Fisheries, Mr. Thor Thors, Minister of Iceland to the United States; Marketing, H. Broadley, United Kingdom Ministry of Food; Statistics, Dr. Josue Saenz of Mexico, Director General of Statistics. The Commission accepted the provisional report of FAO and the technical reports of the Interim Commission as the starting point of its agenda.

Individual delegations are naming their representatives on the various committees. Selections of the United States are:

COMMISSION A

Committee on Nutrition and Food Management

DR. THOMAS PARRAN

DR. HAZEL K. STIEBELING

MISS ANNA LORD STRAUSS
Dr. M. L. WILSON

Agriculture

P. V. CARDON
Senator ELMER THOMAS
Congressman CLIFFORD R. HOPE
H. G. BENNETT
HUGH H. BENNETT
A. L. DEERING
MORDECAI EZEKIEL
ALBERT S. GOSS
EDWARD A. O'NEAL
JAMES G. PATTON

Forestry and Forest Products

LYLE F. WATTS
Senator RAYMOND E. WILLIS
EDWARD I. KOTOK

Fisheries

ANDREW W. ANDERSON
EDWARD G. CALE

Marketing

L. A. WHEELER
Congressman JOHN W. FLANNAGAN, Jr.
HOMER L. BRINKLEY
HARRY CARLSON
LEROY D. STINEBOWER

Statistics

R. E. BUCHANAN
L. WENDELL HAYES
CLIFFORD C. TAYLOR

COMMISSION B

Committee on Rules and Procedure

L. WENDELL HAYES
Senator ELMER THOMAS
MISS ANNA LORD STRAUSS
L. A. WHEELER

Finance

EDWARD G. CALE
Congressman JOHN W. FLANNAGAN, Jr.
LEROY D. STINEBOWER

Administrative Arrangements

MISS ANNA LORD STRAUSS
Senator RAYMOND E. WILLIS
L. WENDELL HAYES

Constitutional and Diplomatic Questions

LEROY D. STINEBOWER
Congressman CLIFFORD R. HOPE
ALBERT S. GOSS
MISS ANNA LORD STRAUSS

Committees of both Commissions A and B started their meetings on October 20 with nearly all of their efforts directed toward internal organization.

The Committee on Agriculture—by far the largest of such groups, numbering more than 60 persons—set up a Program Committee to determine the main subjects for study and set up panels to get to work on them. This Program Committee is headed by Louwes of the Netherlands and Cardon, U.S.A., the two vice chairmen of the Agriculture Committee. Other countries represented on the Program Committee are: China, U.S.S.R., Mexico, Czechoslovakia, France, United Kingdom, New Zealand, South Africa, and Brazil.

Postal Regulations for Mail to China

[Released to the press October 19]

As of October 18, 1945, according to an announcement of the Post Office Department, ordinary and registered regular mails will be accepted for despatch to all of China by ordinary surface means. Acceptable mail includes letters, post cards, printed matter in general, printed matter for the blind, and commercial papers and samples.

Postage rates for letters despatched by surface means will be 5 cents for the initial ounce and 3 cents for each additional ounce. Registry and special delivery fees are 20 cents.

The Post Office Department announces that the present limited parcel-post service to China is not affected by the extended service.

Effective immediately, articles weighing two ounces or less will be accepted for despatch by air direct to China. The articles must be prepaid at the rate of 70 cents per one-half ounce or fraction thereof.

The export control regulations of the Foreign Economic Administration apply to mail for China, and business and financial communications are subject to the requirements of the Freezing Control Regulations of the Treasury Department.

Attitude of American Government Toward Palestine

[Released to the press October 18]

The Department of State has recently received a number of inquiries as to whether it is true that the United States Government has on various occasions expressed the view to Jewish and Arab leaders that they should be consulted before a decision was reached respecting the basic situation in Palestine. In response to these inquiries Secretary of State James F. Byrnes made the following reply:

"On several occasions this matter has been the subject of oral and written discussions with various Jewish and Arab leaders. The substance of this Government's position has been that this Government would not support a final decision which in its opinion would affect the basic situation in Palestine without full consultation with both Jews and Arabs.

"At a press conference today President Truman referred to his exploration with Prime Minister Attlee of ways and means of alleviating the situation of the displaced Jews in Europe, including consideration of Palestine as a possible haven for some of these homeless Jews. There is general agreement that it is our duty to take energetic measures to assist these unfortunate victims of Nazi persecution.

"As the President pointed out today, this matter is still under consideration. We shall continue to explore every possible means of relieving the situation of the displaced Jews of Europe.

"Should any proposals emerge which in our opinion would change the basic situation in Palestine, it would be the policy of this Government not to reach final conclusions without full consultation with Jewish and Arab leaders. This policy was stated, for instance, in a letter which President Roosevelt addressed to King Ibn Saud on April 5, 1945 and the text of which I have been authorized to make available."

The text of President Roosevelt's letter of April 5 follows:

APRIL 5, 1945.

GREAT AND GOOD FRIEND:

I have received the communication which Your Majesty sent me under date of March 10, 1945, in which you refer to the question of Palestine and to the continuing interest of the Arabs in current developments affecting that country.

I am gratified that Your Majesty took this occasion to bring your views on this question to my attention and I have given the most careful attention to the statements which you make in your letter. I am also mindful of the memorable conversation which we had not so long ago and in the course of which I had an opportunity to obtain so vivid an impression of Your Majesty's sentiments on this question.

Your Majesty will recall that on previous occasions I communicated to you the attitude of the American Government toward Palestine and made clear our desire that no decision be taken with respect to the basic situation in that country without full consultation with both Arabs and Jews. Your Majesty will also doubtless recall that during our recent conversation I assured you that I would take no action, in my capacity as Chief of the Executive Branch of this Government, which might prove hostile to the Arab people.

It gives me pleasure to renew to Your Majesty the assurances which you have previously received regarding the attitude of my Government and my own, as Chief Executive, with regard to the question of Palestine and to inform you that the policy of this Government in this respect is unchanged.

I desire also at this time to send you my best wishes for Your Majesty's continued good health and for the welfare of your people.

Your Good Friend,

FRANKLIN D. ROOSEVELT

His Majesty

ABDUL AZIZ IBN ABDUR RAHMAN AL FAISAL AL
SAUD

*King of Saudi Arabia
Riyadh*

Educational and Cultural Conference

INVITATION TO THE CONFERENCE

FOREIGN OFFICE, S. W. 1.

3rd August, 1945.

YOUR EXCELLENCY,

I have the honour to inform Your Excellency that, at a meeting of the Conference of Allied Ministers of Education on the 12th July last, His Majesty's Government were requested to invite, on behalf of the Conference, the Governments of the United Nations to send delegates to a Conference to be held in London on the 1st November, 1945, to consider the creation of an Educational and a Cultural Organisation of the United Nations in accordance with Article 57 of the Charter of the United Nations.

2. In so acting on behalf of the Conference of Allied Ministers of Education, His Majesty's Government are gratified to know that they are also contributing to the practical realisation of a project for a United Nations Organisation in the field of education and culture proposed at the initiative of the French Government at the Conference at San Francisco, where it received unanimous approval.

3. The French Government having been apprised of the intention of His Majesty's Government to despatch the present invitation have fully agreed to be specially associated with His Majesty's Government as the inviting power.

4. Accordingly, I have the honour in agreement with the French Government to invite the Government of the United States to be represented at the above-mentioned Conference by a duly accredited delegate (who might be accompanied by alternates or advisers).

5. Ten copies of a draft constitution, as submitted to, and adopted as the basis of discussion by, the Conference of Allied Ministers, are attached, together with two copies of an explanatory document¹ prepared by the Conference and two copies of the preliminary agenda of the Conference.² In the event of the acceptance of this invitation by the United States Government, further

material relating to the Conference will be forwarded in due course.

6. Versions of all these documents in the French language will be sent at a later date.

7. I am further to suggest that, if possible, any observations upon or amendments to the draft constitution should be forwarded so as to reach His Majesty's Government on or before the 1st October.

8. The Conference agreed that the date of publication of the Draft Constitution should be the 1st August 1945.

I have [etc.]

(For the Secretary of State)
ALEXANDER CADOGAN

DATE FOR CONVENING OF CONFERENCE

[Released to the press October 15]

The British Government has informed the Department of State that the Educational and Cultural Conference of the United Nations Organization will convene as scheduled in London on November 1, 1945. The Department of State has been advised by the host Government, Great Britain, that about 30 nations have accepted invitations to send delegates to London. The State Department expects to make public the names of the members and advisers of the United States Delegation within a few days. It is planned to have the United States Delegation meet in Washington for consultation on October 25. The Delegation will leave for London by boat and plane on October 27.

UNITED STATES DELEGATION

[Released to the press October 19]

The Assistant Secretary of State, the Hon. William Benton, announced on October 19 the composition of the United States Delegation to the conference to consider the creation of an Educational

¹ For text of the draft constitution and an interpretation see BULLETIN of Aug. 5, 1945, p. 165.

² Not printed.

and Cultural Organization of the United Nations, which is scheduled to convene at London on November 1, 1945. Mr. Benton stated that while he is listed as a member of the Delegation it will not be possible for him to be in London at the opening of the conference because of the necessity that he appear before various hearings of congressional committees. Mr. Benton will leave for London as soon as possible.

The purpose of the meeting is to formulate the final constitution of the proposed Educational, Scientific, and Cultural Organization of the United Nations. This Organization will work toward the United Nations' objective of developing friendly relations among nations and achieving international cooperation in solving international problems of a social, cultural, or scientific character.

The conference will attempt to organize and continue the work begun by the Conference of Allied Ministers of Education. At meetings of this group held in London in April 1944, a tentative draft constitution was drawn up for a permanent Organization. A later document prepared by the Department of State, as revised by the London Conference of Allied Ministers of Education, will serve as a basis for discussion in the formulation of the definitive constitution. Since the meeting of the Allied Ministers referred to above, the United States has maintained a representative in London, Dr. Grayson Kefauver, on the work of the Conference.

The membership of the Delegation is as follows:

Delegates:

ARCHIBALD MACLEISH, *Chairman of the Delegation*.
 WILLIAM BENTON, Assistant Secretary of State.
 ARTHUR H. COMPTON, Chancellor, Washington University, St. Louis, Mo. (serving until Nov. 13); and HARLOW SHAPLEY, Director, Harvard College Observatory, Cambridge, Mass. (serving commencing Nov. 10), neither one of whom can serve throughout the conference and will therefore jointly serve as one delegate.
 CHESTER E. MERROW, House of Representatives, Committee on Foreign Affairs.
 JAMES E. MURRAY, United States Senate, Chairman, Committee on Education and Labor.
 GEORGE STODDARD, President, University of Illinois.
 Miss C. MILDRED THOMPSON, Dean, Vassar College.

Advisers:

Miss HARRIET W. ELLIOTT, Dean of Women, Women's College, University of North Carolina.

HERBERT EMMERICH, Director, Public Administration Clearing House, Chicago.

LUTHER H. EVANS, Librarian of Congress.

GRAYSON N. KEFAUVER, Consultant, Department of State; and United States Delegate to the Conference of Allied Ministers of Education.

WALDO LELAND, Director, American Council of Learned Societies.

ALEXANDER MEIKLEJOHN, former President, Amherst College.

FRANK LESLIE SCHLAGLE, President, National Education Association; and Superintendent of Schools, Kansas City, Kans.

GEORGE SCHUSTER, President, Hunter College, New York.

As in the case of Mr. Benton, Commissioner of Education John W. Studebaker will not be able to get away from Washington to leave with the Delegation, but the Commissioner hopes to leave for London to join the conference for the last ten days or two weeks and at that time will join the Delegation as an adviser.

Secretary General:

WARREN KELCHNER, Chief, Division of International Conferences, Department of State.

Technical Secretary:

BRYN J. HOVDE, Consultant, Office of International Information and Cultural Affairs, Department of State.

Technical Experts:

HAROLD BENJAMIN, United States Office of Education.

ESTHER C. BRUNAUER, Assistant on International Organization, Division of International Organization Affairs, Department of State.

GEORGE KENNETH HOLLAND, President, Inter-American Education Foundation.

WALTER KOTSCHNIG, Division of International Organization, Department of State.

RICHARD PATTEE, National Catholic Welfare Conference.

DONALD STONE and/or ERIC BIDDLE, who will be in London on Bureau of the Budget business, and will be available.

CHARLES A. THOMSON, Adviser, Office of International Information and Cultural Affairs, Department of State.

Secretaries of Delegation:

EUGENE N. ANDERSON, Assistant Chief in charge of the European Branch, Division of Cultural Cooperation, Department of State.

DONALD B. EDDY, Divisional Assistant, Division of International Conferences, Department of State.

RICHARD A. JOHNSON, Third Secretary, American Embassy, London.

Assistant Secretaries:

HERBERT J. ABRAHAM, Department of State.

MARY FRENCH, Department of State.

Preparatory Commission Of the United Nations

ARRANGEMENTS FOR TRUSTEESHIP COUNCIL

[Released to the press by the Preparatory Commission of the United Nations October 6]

The Executive Committee, which met under the chairmanship of Professor Webster (United Kingdom) at Church House, Westminster, today, October 6, considered the report of a subcommittee recommending certain interim arrangements that are required pending the establishment of the Trusteeship Council. After some discussion the proposal for the creation by the General Assembly of a temporary Trusteeship Committee was approved. The temporary Trusteeship Committee would have to carry out certain of the functions assigned in the Charter to the Trusteeship Council.

DISCUSSION ON ORGANIZATION OF INFORMATION SERVICES

[Released to the press by the Preparatory Commission of the United Nations October 6]

The Committee then discussed the organization of the information services of the Preparatory Commission and the first session of the General Assembly. It was agreed that the information services should be such as to enable the press and other media of information to provide the public with full, rapid, and accurate information. In order to carry out this principle it was proposed that all plenary meetings should be open to the press; meetings of the committees should generally also be open to the press, with closed sessions of the committees being the exception, not the rule; meetings of the subcommittees should ordinarily be closed to the press, but information about their proceedings should be provided to the press promptly after each sitting.

The staff of the information service should be increased and adequate facilities insured so as to meet the special needs of duly accredited representatives of the press, radio, newsreels, and still pictures and to provide for direct liaison with interested private groups and organizations representative of the general public. It was recommended that the information services of the

Preparatory Commission and the first part of the First Session of the General Assembly should be on a temporary basis.

Ratification of the Charter of the United Nations

Instruments of ratification of the Charter of the United Nations have been deposited with the Department of State within the last four days by the following nations:

[Released to the press October 15]

Lebanon

Charles Malik, Minister of Lebanon, deposited with the Department of State on October 15 the Lebanese instrument of ratification of the Charter of the United Nations.

Cuba

Guillermo Belt, Ambassador of Cuba, deposited on October 15 the Cuban instrument of ratification of the Charter.

[Released to the press October 20]

Iran

Dr. A. A. Daftary, Chargé d'Affaires ad interim of Iran, deposited the instrument of ratification of the Charter by his Government on October 16.

Luxembourg

The Hon. Hugues Le Gallais, Minister of Luxembourg, on October 17 deposited his Government's instrument of ratification of the Charter.

Saudi Arabia

The instrument of ratification of the Charter by the Government of Saudi Arabia was received by the Department of State from the American Legation in Jidda and was deposited on October 18.

Czechoslovakia

His Excellency Vladimír Hurban, Ambassador of Czechoslovakia, on October 19 deposited the Czechoslovak instrument of ratification of the Charter.

Yugoslavia

Dr. Sergije Makiedo, Chargé d'Affaires ad interim of Yugoslavia, on October 19 deposited the instrument of ratification of the Charter by Yugoslavia.

Syria

The Hon. Dr. Nazem al-Koudsi, Minister of Syria, deposited the Syrian instrument of ratification of the Charter on October 19.

Great Britain and Northern Ireland

His Excellency the Right Honorable the Earl of Halifax, Ambassador of the United Kingdom of Great Britain and Northern Ireland, deposited with the Department of State on October 20 his Government's instrument of ratification of the Charter of the United Nations.

Article 110 of the Charter provides that it shall come into force upon deposit of ratifications by the Republic of China, France, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America and by a majority of the other signatory states. To date the following governments have deposited instruments of ratification of the Charter with the Government of the United States:

United States of America on August 8
 France on August 31
 Dominican Republic on September 4
 Nicaragua on September 6
 New Zealand on September 19
 Brazil on September 21
 Argentina on September 24
 El Salvador on September 26
 Haiti on September 27
 China on September 28
 Turkey on September 28
 Denmark on October 9
 Philippines on October 11
 Chile on October 11
 Paraguay on October 12
 Lebanon on October 15
 Cuba on October 15

As of October 20, the following additional governments had deposited their instruments of ratification:

Iran on October 16
 Luxembourg on October 17
 Saudi Arabia on October 18
 Czechoslovakia on October 19
 Yugoslavia on October 19
 Syria on October 19
 Great Britain and Northern Ireland on
 October 20

Signing by Poland of the Charter of the United Nations

[Released to the press October 15]

When the Charter of the United Nations was signed at San Francisco on June 26, 1945, a place was left open in that document for Poland to sign, pursuant to a unanimous agreement by the Steering Committee of the United Nations Conference on International Organization reached on June 23, 1945. Wincenty Rzymowski, the Foreign Minister of the Polish Provisional Government, who came to Washington for this purpose, on October 15 signed the Charter on behalf of Poland, thus completing the roster of original members of the Organization. Mr. Rzymowski also signed the Interim Arrangements agreement.

Study on Developments in Scandinavian Pulp and Paper Industries

[Released to the press by the Department of State and the Department of Commerce October 19]

Appointment of Edwin G. Jahn, a native of Oneonta, New York, to the Auxiliary Foreign Service of the United States to study developments in the pulp and paper industries of Norway, Sweden, and Finland was announced jointly on October 19 by the Departments of State and Commerce.

Mr. Jahn, who was appointed to the State Department post upon the recommendation of the Bureau of Foreign and Domestic Commerce, Department of Commerce, will report currently upon wartime and immediate post-war commercial and economic developments in the pulp and paper industries and export trade of the three countries, which he will survey for about one year.

Under the existing program of cooperation between the Departments of State and Commerce in matters of international commercial relations, these reports will be made available to interested American businessmen and industry groups through the facilities of the Bureau of Foreign and Domestic Commerce.

Before the war these three countries ranked

among the largest exporters of wood pulp and paper and supplied the United States with about one third of the wood pulp consumed domestically. Pulp and paper ranks as an important commodity in international trade, and it is necessary that the paper industry of the United States be kept informed of developments abroad which affect both the imports of essential raw materials and export sales of pulp and paper manufactures.

Mr. Jahn was selected for this post because of his long association with both the academic and commercial phases of the wood-pulp and paper industries and his familiarity with the area to which he is going, the State and Commerce Departments reported.

UNRRA Mission To Gather Information on Displaced Persons in the Far East

[Released to the press by UNRRA October 17]

A special UNRRA mission left Washington on October 16 to gather information concerning the number and location of displaced persons of United Nations nationality in Far Eastern countries whose care and eventual repatriation may become an UNRRA responsibility. The four-man mission, headed by Pierce Williams of San Francisco, will conduct investigations in China and other countries of the Far East.

Experts know that the displaced-persons problem which confronted the United Nations after the end of hostilities in Asia differs from the problem in Europe. Accurate information has not been available. Little is known of the number of stateless persons in the Far East or the difficulties involved in their care and final disposition. The UNRRA mission will ascertain the facts on the scope of the problems and recommend required action to headquarters in Washington. Civil and military authorities will be the principal sources of information.

Serving with Mr. Williams on the special mission are David R. Trevithick of Ogden, Utah, Denzil H. Clarke of London, England, and Casimir A. Soorma of Burma. Mr. Williams, who has

recently returned from Europe, where he assisted in preparatory work for the UNRRA displaced-persons operation in Germany, has been Director of the National Bureau of Economic Research, a member of the staff of the National Resources Planning Board, and Regional Director for the Far East for the Federal Works Agency. Before joining UNRRA in 1944, he was Chief of the North African Mission of the Board of Economic Warfare.

Mr. Trevithick during 1944 was the UNRRA representative for displaced persons on the SHAEF mission to Belgium and in 1945 a member of a special displaced-persons mission sent by UNRRA to Greece. From 1935 to 1943 he was Director of Public Welfare for the State of Utah.

Mr. Clarke has served for many years in the British consular service in China. Caught in Shanghai at the beginning of hostilities in 1941, he was interned by the Japanese, being exchanged in 1942.

Since 1944 Mr. Soorma has been a specialist on displaced-persons problems in the UNRRA office at Sydney. A distinguished Burmese lawyer, he brings to his present assignment an intimate knowledge of population problems of the Far East.

While the mission will be concerned with displaced persons throughout the Far East, its work will begin in China.

Conversations on Air Agreement With Mexico

[Released to the press October 20]

The initial conversations between the United States and Mexican officials on the proposed bilateral civil air-transport agreement have been completed. Further conversations will be held at a later date.

Agreement was reached upon the fundamental basis of an air-transport agreement which follows substantially the standard form of agreement agreed upon at the Chicago conference of 1944. Final agreement has not yet been reached upon the routes to be operated between the United States and Mexico by United States and Mexican air carriers. It is expected that complete agreement will soon be reached during further conversations.

Is UNRRA Doing Its Job?

PARTICIPANTS

WILLIAM L. CLAYTON

Assistant Secretary of State for Economic
Affairs and United States Delegate to
the UNRRA Council

HERBERT LEHMAN

Director General, United Nations Relief
and Rehabilitation Administration

STERLING FISHER

Director, NBC University of the Air

[Released to the press October 20]

ANNOUNCER: Here are the headlines from
Washington:

Director General Lehman Says Additional Funds
for UNRRA Are Essential if Starvation and
Chaos Are To Be Avoided in Europe and Asia,
and if New Obligations to Italy, Austria, and
Far East Are To Be Met.

Assistant Secretary of State Clayton States There
Is No Alternative to UNRRA as an Agency To
Relieve Suffering in Coming Winter: Says That
UNRRA Should Get Top Priority on Funds and
Facilities for Its Work.

ANNOUNCER: This is the thirty-sixth in a series
of programs entitled "Our Foreign Policy," fea-
turing authoritative statements on international
affairs by Government officials and members of
Congress. This series is produced by NBC's Uni-
versity of the Air not only for listeners in this
country but for our service men and women over-
seas, wherever they are stationed, through the
facilities of the Armed Forces Radio Service.
Printed copies of these important discussions are
also available. Listen to the closing announce-
ment for instructions on how to obtain them.

This time we present the second of our limited
series of broadcasts on international organizations.
The subject: "Is UNRRA Doing Its Job?" We
have invited Mr. Herbert Lehman, Director Gen-
eral of the United Nations Relief and Rehabilita-
tion Administration, and Assistant Secretary of
State William L. Clayton, U.S. Delegate to the
UNRRA Council, to discuss the international re-

lief agency and the coming winter crisis in the
war-ravaged countries of Europe and Asia. Mr.
Lehman and Mr. Clayton will be interviewed by
Sterling Fisher, Director of NBC's University of
the Air. Mr. Fisher—

FISHER: Almost two years ago, representatives
of the then 44 United Nations met in Washington
to sign the agreement which created the United
Nations Relief and Rehabilitation Administra-
tion—or UNRRA, as everyone calls it. This was
the first United Nations agency to start actual
operations. Its success or failure will therefore
have a great effect on public confidence in other
United Nations organizations. Now, from the be-
ginning UNRRA has been something of a storm
center because of the difficulties it has encountered
in doing its job. Mr. Lehman, can you tell us
something about the magnitude of that job?

LEHMAN: Well, Mr. Fisher, the world is facing
the toughest winter in its history. In Europe
alone, 180,000,000 people are on the borderline of
starvation. Our job is to keep as many people
alive as we can—it's not as simple as that. It's a
race against time, to save hundreds of thousands of
people from starvation and plague.

FISHER: Mr. Clayton, you attended the London
conference of the UNRRA Council as the United
States Delegate not long ago. What did that con-
ference accomplish toward meeting the needs of
the world's hungry people?

CLAYTON: Actually, the situation is more des-
perate now than it was before that conference,
because the need for UNRRA assistance has in-
creased faster than we could meet that need. We
took on new responsibilities at the London UNRRA
meeting. Not only has the end of the war in the
Far East dumped a huge problem in our lap, but
we have had to accept new responsibility for aiding
Italy, Austria, Korea, and Formosa.

LEHMAN: Just compare the devastation in this
war with World War I, Mr. Fisher, and you'll see
how much greater our job is.

FISHER: In the number of countries, do you
mean, Governor Lehman?

LEHMAN: Yes, and in extent of devastation. Since 1939 the Axis has overrun 35 countries in Europe and Asia. And the military campaigns were fought over an area hundreds of times as large as that of World War I.

CLAYTON: And with much more destructive weapons.

LEHMAN: In World War I, for example, China, Holland, Italy, Norway, and Greece and numerous other nations were not invaded. Our task is many times as great as after the last war.

FISHER: Well, this time we have an international agency to deal with these problems.

LEHMAN: Yes, but so far UNRRA actually has been given far less funds than the amount spent by the United States alone after World War I, although the need is much greater today. The United States spent between two and three billion dollars then; but the total allocated for UNRRA by *all* nations to date is less than two billion, in cash and in supplies.

CLAYTON: That will not be enough. Unless the countries of the United Nations give UNRRA the new contributions we asked for at London—an additional \$1,800,000,000—UNRRA will have to liquidate with the minimum job only half completed.

FISHER: You mean, Mr. Clayton, it will actually have to go out of business?

CLAYTON: Yes, that's just what I mean, Mr. Fisher. And soon, too. Probably by the end of this year UNRRA won't be able to purchase any more relief supplies. And that would be a major tragedy, coming at the beginning of a winter as grim as this one will be.

FISHER: Does that mean, Governor Lehman, that you have already spent the original \$1,800,000,000?

LEHMAN: No, not all of that is available yet. Practically every penny of our funds, however, that is available—about \$1,300,000,000 from all countries—has been either spent or committed on orders for relief goods and services, so that we can't obtain another thing unless we have more funds.

CLAYTON: As you say, Governor, UNRRA still has funds coming under the original arrangement. The Congress last year authorized the first U.S. contribution—\$1,350,000,000—but it has thus far appropriated only \$800,000,000. We still have to appropriate \$550,000,000 of our original pledge. That request is before the Congress at the moment.

FISHER: I shouldn't think there would be much doubt of that being done.

CLAYTON: No, I don't think there is. That's a definite obligation. Congress has already authorized it. But it's also up to us to lead the way in granting that entirely new additional contribution to UNRRA, in an amount as large as the original authorization. All UNRRA can do from here on in, unless those funds are forthcoming, is to deliver the goods that have been ordered—and that won't be enough to see our present program, inadequate as it is, even half way through the winter.

LEHMAN: You see, Mr. Fisher, we can't operate like a housewife, who can go down to the corner grocery, buy what she needs, and take it home with her. We have to order in advance. If we need trucks or freight cars or even medical supplies, we have to place our order weeks or months in advance. That's why we need these funds immediately—otherwise there will be a gap in our deliveries.

CLAYTON: The need is all the more urgent because the Army has already withdrawn from relief operations in Europe except in Germany and Austria—to say nothing of the Far East, where it never even attempted a civilian-relief program. After all, UNRRA is responsible for relief to most of the battle-scarred world, except western Europe.

FISHER: Mr. Clayton, suppose the funds UNRRA is asking for aren't forthcoming; what will happen?

CLAYTON: If they aren't forthcoming, you'll see starvation and suffering worse than anything that happened to civilians during the war. There is no other means of getting food to the people who have to go through this winter, and seeds, fertilizer, and agricultural equipment so they can start producing their own food again next year. And they must have medical supplies to ward off typhus, cholera, and other diseases. UNRRA is their only hope.

LEHMAN: If we tried to set up and staff a new American relief agency, the winter would be over before we could get it under way. The real alternative to an expanded UNRRA program is agony, unrest, and chaos. Democracy would be hard put to survive in a great part of the world.

CLAYTON: Yes, that's right, Governor, and we can't afford to let it come to that. After the lives and the money we have spent winning this war,

we've got to see the thing through this final winter. Otherwise the people in the wake of the war will be so embittered that anything could happen.

FISHER: Mr. Clayton, why aren't these people able to help themselves by this time? After all, in Europe the war has been over since last May.

CLAYTON: Well, for one thing the actual fighting swept over such large areas that plantings this year were far below normal. Whole villages had to evacuate the war zones in many areas—or their men were taken off to do slave labor in Germany, and couldn't get back in time to plant their crops. Then, too, not many people had seed left to plant. And there is almost no fertilizer and very few farm tools. On top of that, there have been crop failures this year in much of eastern and southern Europe—the area where UNRRA has been most active.

LEHMAN: Take Yugoslavia, for example. The grain crop is only 50 percent of normal this year. And don't forget that transportation has broken down almost completely in the war zones of both Europe and Asia. Many tens of thousands will be completely homeless this winter. Bridges are down, canals are blocked, the railroads are in a perfect mess. We've had to furnish our own trucks in Greece and elsewhere, to get food to the people.

FISHER: You've made a good case for the need for UNRRA, Mr. Lehman. But the central question in this discussion is, What is UNRRA doing to meet that need? Is UNRRA doing its job? Or more specifically, just what has UNRRA accomplished?

LEHMAN: Well, I think we've been doing a pretty good job. By the end of this month we will have provided over 2,500,000 tons of relief supplies.

FISHER: That's a lot of tonnage. It would take—let's see—more than 300 Liberty ships to carry that much.

LEHMAN: We're shipping the equivalent of at least 50 shiploads a month now. With the end of the war in Europe, a lot more shipping space has become available, and that, of course, has helped.

FISHER: That certainly contrasts sharply with what you were doing early this year. As I recall it, you had shipped very little until this spring. In fact, some people were saying at that time that UNRRA was a failure—that it had operated for one whole year without accomplishing much of anything.

LEHMAN: We had to have supplies and ships before we could begin our work, Mr. Fisher. But the supplies and ships we needed then had to be used to win the war. Then, too, we had a tough job recruiting a staff, to begin with. And we had to lay out a plan of operations.

CLAYTON: And don't forget, the war agencies had first call on personnel and materials and ships, of course. But now that the war is over, I believe UNRRA should have top priority, on men and goods and transportation.

LEHMAN: We've been able to get a great many of the people we needed, and a fair amount of shipping, since V-E Day. I want to make one point here, though, Mr. Fisher. You mentioned the criticism of our early operations. We did encounter some serious delays—but I want to point out that UNRRA was on the job in every country eligible for its help within a few weeks after such country had been liberated.

FISHER: And where is it operating today, Mr. Lehman?

LEHMAN: In Greece, Yugoslavia, Poland, Czechoslovakia, Italy, Albania, and China. We are increasing our aid to China and expect to give help to other liberated countries of Asia very soon.

FISHER: You didn't mention the western European countries, Governor. Some of them are pretty badly off, too.

LEHMAN: Yes, in my opinion it is just as important to stop suffering there as in eastern Europe. But that will have to be done mainly through regular governmental supply channels. UNRRA's charter specifies that it can help only those countries that do not have enough foreign exchange—that is, dollars or other foreign funds—to pay for essential imports. France, Belgium, the Netherlands, and other western European countries have sufficient foreign exchange or credit resources to finance these purchases, while the eastern and southern European countries do not have them.

FISHER: Mr. Clayton, I'd like to have your evaluation of how UNRRA has been doing its job in these various countries.

CLAYTON: Well, Mr. Fisher, I suppose Greece is the outstanding example thus far. Greece was faced with mass starvation. Fortunately, it was accessible by sea, and we were able to get in there pretty quickly, in time to save literally thousands of lives. UNRRA did a great job there. It has

already sent close to \$200,000,000 worth of supplies to Greece.

FISHER: There was some criticism, Mr. Secretary, of the way UNRRA was handled in Greece, at least in the beginning. There were charges that it was used by the British for political purposes.

CLAYTON: During the first few weeks it was a pretty tangled political situation. But UNRRA is definitely non-political, and the distribution of relief supplies was handled impartially—under an American director, incidentally.

FISHER: Mr. Lehman, what about the charge that UNRRA has been used by the governments of the countries where it operates to bolster their own political prestige?

LEHMAN: Well, the government of each country naturally handles its own distribution of UNRRA goods. That provision was placed in the charter because it was felt that politics would be reduced to a minimum that way, and relief could not be used as a wedge by any outsiders. But we do send in observers, who check on the distribution of supplies in the countries receiving aid, to see that there is no discrimination on account of race, creed, or political belief.

FISHER: The physical problem of getting supplies into some of the central European countries must have been pretty great. Poland and Czechoslovakia, for example.

LEHMAN: Yes, we've only been able to get into Poland through Danzig for the past few weeks. And we've just begun to use the port of Bremen for shipments to Czechoslovakia.

CLAYTON: Before that, they had to go in by a very round-about route, through the port of Constantza, in the Black Sea. But despite that fact, UNRRA has shipped close to \$80,000,000 worth of goods into Czechoslovakia, and \$90,000,000 worth into Poland.

LEHMAN: Of course, Yugoslavia was also hard to reach because of the lack of port facilities. But in spite of that, we have sent about \$150,000,000 in supplies to the Yugoslavs.

FISHER: What about the Italian program, Mr. Clayton? I think many people wonder why Italy would be eligible for UNRRA assistance, as a former enemy country.

CLAYTON: I'm glad you mentioned Italy. An exception was originally made for Italy, at the suggestion of President Roosevelt, who acted on

reports of wide-spread malnutrition and near starvation. By action of the UNRRA Council a year ago, help has thus far been limited to children, the indigent, and nursing or expectant mothers, and less than \$25,000,000 in supplies have been sent to Italy. About 800,000 Italian mothers and children are being partially fed by UNRRA. At the London UNRRA Council meeting in August, the member nations agreed that UNRRA should assume the complete responsibility for relief in Italy. This program cannot begin, however, until the new contribution is made since the cost is estimated at between \$400,000,000 and \$500,000,000.

LEHMAN: Mr. Fisher, I think we should also mention UNRRA's aid to the millions of displaced persons in Europe.

FISHER: Can you give us the current status of that program, Governor Lehman?

LEHMAN: Well, when Germany was first liberated more than 6,000,000 displaced persons were found. The Army started sending them home very rapidly, and now UNRRA has taken over the administration of the camps where the unre-patriated are gathered. There are about 450 such installations for the DP's—displaced persons—with more than 3,300 UNRRA workers supervising or operating them, under the over-all direction of the military.

FISHER: How many of these displaced persons are left out of the original 6,500,000?

LEHMAN: Only about 1,300,000, Mr. Fisher. And we expect most of them to be home before next spring.

CLAYTON: Except, of course, about a quarter of a million non-repatriable "stateless persons"—that is, those who can't or don't wish to return to their home countries. A large number of these are Jews.

FISHER: Will UNRRA continue to care for them, Mr. Clayton?

CLAYTON: Only for a few months, until their status is determined and some provision made for them. After all, UNRRA is only a temporary relief agency.

FISHER: But now, Mr. Secretary, about the job that still remains to be done: Can you break that down for us? I have read that the Soviet Union asked for \$700,000,000 worth of UNRRA aid.

CLAYTON: Yes, that was the original request, Mr. Fisher. But it has since been revised to \$250,000,000. And it's to be limited to the White Rus-

sian and the Ukrainian Republics, which were completely overrun by the Nazis. The destruction there was something terrible.

FISHER: But, since a great part of the Soviet Union was not invaded, couldn't she take care of the victims in her invaded areas?

CLAYTON: We are convinced that the Russians have all they can do to rehabilitate the rest of the country. As you know, the Russian territory that was invaded by the Germans produced a great part of the country's food and other supplies. And those areas were twice laid waste: once by the advance of the Germans, and again as the enemy was driven out by the Russian forces.

LEHMAN: There's no question, Mr. Fisher, but that the White Russian and Ukrainian Republics are in such economic chaos that they must have help this winter. We are now discussing agreements with them.

FISHER: But doesn't the Soviet Union have enough foreign exchange—that is, foreign money—to pay for that help?

CLAYTON: The Soviet Union has foreign purchasing power in the form of credit and gold, but she will need every bit of it to meet her other needs. UNRRA's purpose is to enable the countries which are victims of the Nazis to meet their relief needs without making them economically prostrate.

FISHER: And how about China, Governor Lehman? I think you mentioned that some help was already being sent out there.

LEHMAN: Before the war ended we had flown a few tons of supplies into China over the hump. But now that the ports are open we have already sent the first shiploads of relief goods. Our plans call for a program of between \$600,000,000 and \$700,000,000 in assistance to China. The Chinese are supplying more than twice that much themselves. And that's all their resources will allow.

CLAYTON: Over half of China—in terms of population—has been occupied by the Japanese, most of it since 1937. Those people in former occupied areas badly need clothing. Millions of them have little or no clothing for the coming winter. We're sending them 8,000,000 to 10,000,000 pounds of the used clothing from last spring's drive.

LEHMAN: They are also in particular need of trucks, locomotives, and transportation facilities in general, so that food and clothing and medical supplies can be sent where they are needed.

FISHER: To what extent, Mr. Lehman, is

UNRRA drawing on Army surpluses for trucks and supplies?

LEHMAN: We're drawing on them to the fullest extent possible. We're buying Army trucks and surplus stocks wherever we can. Some 40,000 Army trucks are to be sold to UNRRA from Army surplus in Europe alone. We also hope to get canned meats, evaporated milk, lard, margarine, soap, blankets, clothing, and medical supplies from Army surpluses. In the Far East we are now negotiating for large stores of surplus goods. Purchases out there will save a lot of transportation expense.

FISHER: But I suppose, Mr. Lehman, that this whole part of the world—the Far East—will be largely left out of the relief picture if the additional funds aren't granted.

LEHMAN: That's right, Mr. Fisher, and that would be most unfair and most unfortunate. But I believe the funds we need will be granted. If the United States leads the way, there's not a doubt that other countries will follow suit. And, after all, this country was spending \$2,000,000,000 a week to win the war, not so long ago. I believe the people will gladly contribute less than one week of such expenditures to help win the peace this winter.

FISHER: I don't think there's much doubt that the American people are willing to help, Governor Lehman. The public-opinion polls show that we are willing to continue rationing, if necessary, to keep the people of war-torn countries from starving. But there are a number of criticisms of UNRRA which should be answered, if continued American support is to be assured.

LEHMAN: Well, I think I've heard about all of them, Mr. Fisher. But fire away, and I'll be glad to give you the answers, as best I can.

FISHER: Let's start with one that's beginning to be bruited about in former isolationist circles. Is the United Nations Relief and Rehabilitation Administration—UNRRA—taking food from American homes?

LEHMAN: Not at all. The food asked by UNRRA of the United States, Mr. Fisher, amounts to about 1 percent—one one-hundredth—of our annual food consumption. We asked for one-sixtieth of America's meat production this year—but we got much less.

FISHER: Nevertheless you might have trouble convincing Bill Johnson, of Albany, New York,

say, that the butter shortage wasn't UNRRA's fault.

LEHMAN: Well, I'd like to tell Bill Johnson this: We've been unable to buy butter, or fats, or meat, or even milk products in this country so far this year, in any quantity, because they have been so short. Our orders for American goods are placed through the Foreign Economic Administration, a Federal agency whose UNRRA functions among others are being transferred to the State Department. This agency actually allocates the exportable goods. We have practically begged it for some portion of America's supply of meat and fats, but thus far without success. No, the shortages here in the United States—such as they are—can't be blamed on UNRRA.

FISHER: Then there's the charge that the United States is supplying more than its proper share of UNRRA's funds. One rumor had it that we were supplying up to 90 percent of the costs of your program.

LEHMAN: That's absurd, Mr. Fisher. You see, each member nation of UNRRA was asked to contribute 1 percent of its national income in 1943—and for the United States that amounts to \$1,350,000,000. That happens to amount to 71 percent of the total of UNRRA's resources. The fact that America's contribution was so large is a reflection of our great wealth.

CLAYTON: You have to remember, too, that those United Nations which bore the brunt of military invasion were exempted from making contributions to UNRRA.

FISHER: How many does that leave, Mr. Clayton?

CLAYTON: Out of 47 members of UNRRA, only 31 escaped invasion. Of these, 29 have made or authorized contributions, and the other two—both of them small countries—are in process of doing so right now.

LEHMAN: I want to emphasize this: Many of these countries are very poor, and their small contributions represent a very real sacrifice—more of a sacrifice, relatively speaking, than ours. In dollars and cents, of course, we have done more—just as we paid more toward the winning of the war, because we had greater resources. But in relation to our income, we haven't done any more than Great Britain, Canada, Brazil, or many other countries.

FISHER: Just how much have these other coun-

tries contributed, Mr. Lehman—in terms of dollars, I mean?

LEHMAN: Well, I'll tell you, the British contribution was equivalent to \$320,000,000—and in spite of devastation in England itself they have paid in full. So has Canada—her share was \$80,000,000—and Australia and New Zealand.

CLAYTON: Even India, which has its own famine problem, contributed \$24,000,000.

LEHMAN: And Brazil has actually gone over her pledge. She was to contribute \$25,000,000; she has actually appropriated \$30,000,000.

FISHER: Do the various countries make their funds available in free funds?

LEHMAN: No, only 10 percent of it is in cash, which UNRRA can use for procurement or administrative expenses anywhere. The other 90 percent is really a domestic credit against which each country pays in the indigenous produce it can spare.

CLAYTON: Canada supplies wheat and beef, Brazil, coffee, and so on. Wheat, cotton, and surplus war supplies are our main contributions, because we have such commodities in excess of our own needs. Since we convert our dollar appropriations into supplies—trucks, grain, and so on—we are able to determine the exact form our contribution takes, in such a way as to help use up surpluses.

LEHMAN: When Congress votes a credit for UNRRA, it is placed at the disposal of the President, and he designates the agency that will allocate supplies up to the amount appropriated. Each country has a similar control. That's why we have difficulty buying goods that are short everywhere.

FISHER: And how does UNRRA distribute its supplies, Mr. Lehman?

LEHMAN: Well, as I said, the government of each country receiving aid handles the physical job of distribution, in accordance with UNRRA's policies. But we send qualified observers into each country, to make sure that the goods are distributed without discrimination, either for racial, religious, or political reasons. We have found a few cases of discrimination. But in every single instance, when the agreement was ratified the government of the country has stepped in and corrected the situation.

CLAYTON: There's one other angle on this matter of distribution that I think should be brought in, Governor—that's the sale of goods.

LEHMAN: Go ahead, Will—you tell how that's done.

CLAYTON: Part of the UNRRA supplies that go to each country are necessarily distributed as relief, but a substantial portion is sold through normal channels, to people who have local money, and the proceeds used by the Government to buy more relief supplies and services for free distribution. That increases the total amount of goods we can supply.

FISHER: A sort of revolving fund, then. Can you give us an example of how it works?

CLAYTON: Well, Mr. Fisher, suppose UNRRA sends a shipment of wheat to Greece. The shipment may be sold to mills there. That enables them to start operating their flour mills and then supply the retailers. The money from the sale of the wheat is in turn used to buy other relief supplies produced within the country, and these are distributed free of charge to those Greek people who have no money with which to pay.

LEHMAN: Some of the funds received from the sale of supplies are also used for the employment of people in the countries where we provide aid. We take only a small staff into each country and employ additional local people to help in the various activities which UNRRA carries on.

FISHER: Sounds like a good arrangement. But I've heard charges that UNRRA goods have found their way into the black market when they were sold. What about that, Governor Lehman?

LEHMAN: In a few cases UNRRA goods may have gone astray, Mr. Fisher, but not excessively. Of course you have to recognize that price controls have broken down to a great extent in most of the countries where we are operating. With the supply of most goods running only about 10 or 20 percent of the demand, a black market—or at least a "gray" market—is almost inevitable. But the amount of our supplies that gets into these channels of distribution is a comparatively small percentage.

FISHER: There's one other question that I hesitate to bring up, Mr. Lehman—and that's the charge of bad administration in UNRRA. I don't mean to put you on the spot, but it's a question that ought to be answered.

LEHMAN: That question doesn't bother me in the least, Mr. Fisher. I've had it thrown at me so often that I've come to expect it. Usually my first reaction is, if any other organization were in a posi-

tion to handle this assignment I'd say "Go to it, and God help you!"

FISHER: In other words, it's a pretty thankless job.

LEHMAN: It's the toughest job I've ever had either in public or private life. Of course, we've made many mistakes, and we're the first to admit it. But so has every new, quickly organized agency as large as this one. The only way to avoid making mistakes is to do nothing and hang up a record of "No runs, no hits, no errors". But that's not the way we chose to operate. We have tried our best to get the goods to the people who need them—and we'll rest our case on what we have accomplished in that direction.

CLAYTON: We don't need to be on the defensive about UNRRA, Mr. Fisher, because it is really doing the job it was set up to do.

FISHER: I don't mean to sound like a carping critic, Mr. Clayton, but the fact is, a lot has been said and written about UNRRA's alleged inefficiency in the field. We have received quite a number of letters asking us to go into this matter.

CLAYTON: We're glad to deal with it, Mr. Fisher. But the critics ought to realize one thing: UNRRA has been operating under a great number of handicaps.

FISHER: You might name some of them, Mr. Secretary, to put this whole issue in perspective.

CLAYTON: Well, first of all, as we mentioned a few minutes ago, UNRRA as a post-war relief agency had great difficulty in getting trained people while the war was on.

LEHMAN: We were the "runt of the litter", so to speak. Not only on priorities for personnel, but for shipping and supplies as well.

CLAYTON: Then there was the difficulty in planning for relief, when most of the countries were in the war zone or behind enemy lines up to the very last minute before surrender.

LEHMAN: Yes, for these strategic reasons, and because of political complications in eastern Europe, we were not always in a position to provide aid right after liberation. For many months we didn't know, for example, whether a Polish government was going to be established. And since UNRRA has to operate through the various sovereign states, that held us up.

FISHER: Once you got over these hurdles, though, Mr. Lehman, things went much faster.

LEHMAN: As fast as we could make them go—

which usually meant as fast as we could find ships and trucks to deliver the goods.

CLAYTON: UNRRA has been damned for not doing enough, because it couldn't operate in western Europe, or because it wasn't allowed to do reconstruction work. Its charter provides only for relief and rehabilitation, but not for reconstruction.

LEHMAN: And we've been damned by some for doing too much—even though we have never had the resources to do half the job that should be done.

FISHER: Well, I can see why it's a tough assignment.

LEHMAN: And it's not made any easier by the fact that we have 47 bosses—47 nations. But that makes the job more interesting.

FISHER: Another point that sometimes comes up is whether UNRRA is really run as an international agency, or whether it's dominated by the Americans and the British. Aren't most of your employees here in Washington Americans?

LEHMAN: Yes, but that's inevitable. Most of our London employees are British. We have to take the best people we can get, wherever we are. But we do have 25 different nationalities represented on our Washington staff; and there are over 30 on the London staff.

FISHER: And how about your staffs in the field? That's where a good deal of the criticism comes from—criticism by returning Congressmen and others. They claim the field organization isn't functioning very smoothly.

LEHMAN: We pick nationals of the different countries for our field staffs so far as possible—people who know the language and the country. We give them the best training we can, but of course they're on their own for considerable periods at times. Most of them have done their work pretty well; where they have failed, we have replaced them.

FISHER: Well, it seems to come down to this: You have tackled a gigantic job, one which involves the very lives of hundreds of thousands of people. And you are getting the supplies out to them as fast as possible, considering the handicaps you've been working under.

CLAYTON: And I think when the whole thing is over, Mr. Fisher, you'll find that UNRRA as the first international relief agency will have proven a success. The main thing now is that we must not desert UNRRA in the middle of that

job. I believe America's conscience will prevent that from happening.

FISHER: Well, thank you, Mr. Clayton, and thank you Mr. Lehman, for giving us this frank discussion of the work of the United Nations Relief and Rehabilitation Administration.

ANNOUNCER: That was Sterling Fisher, Director of the NBC University of the Air. He has been interviewing Director General Herbert Lehman of UNRRA and Mr. William L. Clayton, Assistant Secretary of State for economic affairs, in the second of a limited series of programs on international organizations. The discussion was adapted for radio by Selden Menefee.

This was the thirty-sixth program in a series entitled "Our Foreign Policy," presented as a public service by the NBC University of the Air. You can obtain printed copies of these broadcasts at 10 cents each in coin. If you would like to receive copies of 13 of the broadcasts, send \$1 to cover the cost of printing and mailing. Special rates are available for large orders. Address your orders to the NBC University of the Air, Radio City, New York 20, New York. NBC also invites your questions and comments.

Next week we shall present a special program entitled "Report from the Balkans", featuring members of a congressional committee which recently returned from Europe. Participants will include Representative Wickersham of Oklahoma, chairman of the committee, and Representative Horan of Washington.

The following week we shall resume the limited series on international organizations with a short-wave broadcast from Paris, featuring members of the United States Delegation to the International Labor Conference. Following that program the series will move to London for broadcasts on the United Nations Educational and Cultural Conference and other international organizations.

Kennedy Ludlam speaking in Washington, D.C.

THE FOREIGN SERVICE

Consular Offices

The American Consulate General at Hong Kong, China, was reestablished on October 14, 1945.

Financial Arrangements Favorable to International Trade

Remarks by CHARLES BUNN¹

[Released to the press October 17]

I grew up in a railroad household and remember quite well that the most important single factor in the prosperity or otherwise of most American railroads is the volume of freight and passenger traffic. I assume the same thing is true of shipping. We are therefore talking today about cargoes.

I propose, principally, to ask and illustrate two questions, the first of which is this: How are the foreign customers of American exporters and of American ship operators going to pay for the large volume of goods and services which we would like to sell them and which they would like to buy?

This was already a problem before the war, as you know. During the war two things have happened which have made the problem much more serious.

In the first place various foreign countries, and in particular Britain, have to a great extent liquidated the overseas investments the returns on which used to provide part of their foreign-exchange requirements. In the second place, the United States has developed new lines of production during the war which seem almost certain to take the place to a substantial extent of things that we used to buy from abroad. It seems unlikely, for instance, that American factories and mills will ever buy as much natural rubber or raw silk as they did before synthetic production on a large scale was developed in this country.

The question therefore is: What new products and services and in what quantities will American businessmen purchase from the world in large enough volume to enable foreigners to make payment in this country not only for the goods and services we hope to sell but also for the service on the loans which we shall certainly make within the next couple of years?

Let me make one point which is perfectly clear to most of you, but it is frequently misunderstood. It is not necessary that the United States ever balance its accounts with each country separately; it is only necessary that we balance our accounts with the rest of the world.

The point is illustrated by a very familiar

example—the old triangular trade between the United States, southeastern Asia, and Europe. In the old days the United States purchased very large quantities of rubber, tin, and some other materials from southeastern Asia. We sold some goods in that area, but they amounted to much less in dollars than what we purchased from it. Merchants in the rubber-producing countries purchased their foreign requirements largely in Britain and Europe and made payment in part with the proceeds of their sales to this country. That gave merchants in Europe, and especially in Britain, available credit in New York and made it possible for us to sell to European countries, and especially to Britain, much larger amounts than we bought from those particular sources. The result was a larger trade all around than would have been the case if each country had had to limit its exports to each other country to the amount it bought from that country. It is hard to see how international trade can be either large or prosperous unless what the bankers call a multilateral system of payments can be recreated.

To create such a system again and on an improved basis is, of course, one of the main purposes of the International Monetary Fund. We have to remember that the Fund agreement has not yet been approved by many countries and that a good many current international trade and financial arrangements do not provide for convertible foreign exchange but provide instead for direct bilateral clearing and settlements between the countries concerned. The second question, therefore, is whether and how soon it will be possible actually to put into operation the security against exchange controls and blocked currencies which the multilateral system of clearings and payments under the International Monetary Fund is intended to provide. Until that system is put into

¹Made before the American Merchant Marine Institute and the Propeller Club of the United States at a panel discussion on world-trade opportunities in New York on Oct. 17, 1945. Mr. Bunn is Adviser to the Division of Commercial Policy, Office of International Trade Policy, Department of State.

effect exporters trying to sell American goods in foreign countries will be met in many places by regulations of exchange and imports which prevent people who would like to become their customers from doing so, and ship-owners who are paid in foreign currencies may have trouble bringing home their money. It is greatly to the interest of the United States, and of every other trading and seafaring country, to hasten the day when currencies are convertible at stable rates and when merchants in all countries can buy at their own banks the foreign currency they need to make purchases abroad. Until that is brought about trade will be hamstrung and cargoes will be small.

The immediate and pressing problem of exchange control against the dollar boils down to the fact that so many foreign countries need large amounts of reconstruction goods from us and are short of dollar credits to make payment. That same shortage, and the fear of shortage later, prevents them from adhering to the Monetary Fund agreement. Emergency financial help is needed to get off of dead center.

Dollar loans to foreign countries are too narrowly conceived if they are thought of merely as devices to stimulate particular exports connected with each loan. If that is all we do we shall be back in the same boat as soon as the money is used up. A much more important purpose of any foreign lending program in today's emergency should be to break the present log-jam—to help restore the earning power and credit of our foreign customers and Allies, so that they may join with us in creating a world system under which businessmen in any country can buy any currency they need to make a foreign payment. When that has been accomplished, we shall have more foreign trade than we have ever had before, and ship-owners who receive freight charges in a foreign currency will be able to bring their money home.

The trade that accompanies that sort of a system must move in all directions, for neither the International Monetary Fund nor any other monetary scheme can keep our foreign customers in dollars if the trade in goods and services is chronically and largely out of balance in our favor. So I come back to the original question: What goods and services are we going to buy abroad in larger quantities than we ever did before? Until we find some answer to that question no prediction about the volume of United States exports or of United

States cargoes will be valid for any substantial period ahead.

Put in another way, the question might read thus: What United States tariff rates can be reduced under the Trade Agreements Act in such a way as to encourage largely increased imports of particular foreign products and do it without causing serious injury or danger to any domestic industry in the United States? Anyone who can answer that question wisely will deserve well of his country.

Proposed International Health Organization

REQUESTS FROM CHINA AND BRAZIL ON CALLING OF CONFERENCE

MINISTRY OF FOREIGN AFFAIRS

Chungking, September 14, 1945.

EXCELLENCY:

At the United Nations Conference on International Organization at San Francisco, the Delegations of Brazil and China submitted a joint declaration, proposing a general conference for establishing an international health organization, which reads as follows:

"The Delegations of Brazil and China recommend that a General Conference be convened within the next few months for the purpose of establishing an international health organization.

"They intend to consult further with the representatives of other delegations with a view to the early convening of such a General Conference, to which each of the governments here represented will be invited to send representatives.

"They recommend that, in the preparation of a plan for the international health organization, full consideration should be given to the relation of such organization to, and methods of associating it with, other institutions, national as well as international which already exist or which may hereafter be established in the field of health.

"They recommend that the proposed international health organization be brought into relationship with the Economic and Social Council."

The representatives of all the United Nations voted unanimously to associate themselves with this declaration.

In accordance with the terms of this declaration the Chinese Delegation consulted, informally and on the technical level, with representatives of other delegations including those of the United States, United Kingdom, U.S.S.R., France and Brazil with a view to the early convening of such a general conference for establishing an international health organization. As a result of these consultations, the Chinese Government is anxious to ascertain if your Government is willing to join with it and the Governments of the powers above mentioned in sponsoring such a general conference for establishing an international health organization.

It is suggested that this conference be convened as soon as possible.

It is our understanding that a similar communication is being addressed to Your Government by the Government of Brazil.

Accept [etc.]

KAN NAI-KUANG

*Political Vice Minister in charge of
Ministerial Affairs*

Ministry of Foreign Affairs

His Excellency

Lt.-General PATRICK HURLEY,
*American Ambassador,
Chungking.*

WASHINGTON, *September 13, 1945.*

EXCELLENCY,

I have the honor to inform Your Excellency, in accord with instructions which I have received, that the Brazilian Government is keenly interested in the meeting, in the near future, of the Conference for the creation of an International Health Organization, as set forth in a joint proposal by the Brazilian and Chinese Delegations, unanimously approved at the United Nations Conference on International Organization, held in San Francisco.

2. The Brazilian Government requests the cooperation of the Government of the United States of America to sponsor the aforementioned Conference, simultaneously with the Governments of Brazil, the Union of Soviet Socialist Republics, Great Britain, France and China.

3. The Brazilian Government proposes that the Conference be held in the United States at the earliest possible date after the end of October next, and would receive with great satisfaction the

acceptance of this proposal, the Government of the United States assuming the initiative of calling the meeting approximately within that period, and of taking other necessary steps in connection therewith.

4. I shall greatly appreciate it if Your Excellency will kindly enable me to transmit to my Government, as soon as possible, the decision of the Government of the United States in respect to the foregoing.

I take this opportunity [etc.]

A. BOULITREAU FRAGOSO

Chargé d'Affaires, a.i.

OCTOBER 5, 1945.

SIR:

The receipt is acknowledged of your note of September 13, 1945, requesting the cooperation of the United States Government in the convening, at an early date, of a conference to create an international health organization.

At San Francisco the United States Delegation to the United Nations Conference on International Organization approved the joint declaration of Brazil and China to which you refer, and I wish to assure you that the United States Government warmly supports the purpose of the declaration, namely, the establishment of an organization which can deal effectively with international health problems.

The United States Government is therefore happy to accept the invitation of your Government to join with the Governments of Brazil, China, France, the United Kingdom, and the Union of Soviet Socialist Republics in sponsoring a conference to establish an international health organization.

The proposal of the Brazilian Government that the conference should be held in the United States is also acceptable to the United States Government. On receiving information from the Embassy that the other sponsoring Governments so desire, the United States Government will assume the initiative and take the necessary preliminary steps without delay.

Accept [etc.]

DEAN ACHESON

Acting Secretary of State

Mr. A. BOULITREAU FRAGOSO,

Chargé d'Affaires ad interim of Brazil.

Advisory Health-Group Meeting

[Released to the press October 16]

Prompt action in the development of an international health organization was urged by 30 leaders in public health and civic activities at a two-day meeting held in the Department of State on October 11 and 12 of an advisory health group called by the Department under the Chairmanship of Dr. Thomas Parran, Surgeon General of the United States Public Health Service.

In welcoming the group, Under Secretary of State Dean Acheson informed them that the delegates at the United Nations Conference on International Organization in San Francisco had recognized the importance of health problems and their solution and had unanimously approved a joint declaration proposed by Brazil and China calling for the early convening of a general conference for the purpose of establishing an international health organization. He further stated that the Department had received notes from Brazil and China requesting the United States to join with them and the United Kingdom, the Union of Soviet Socialist Republics, and France in sponsoring the organization.

Attention was directed by the advisory group to the destruction in Europe and Asia of facilities for the maintenance of health and to the dispersal of trained health personnel. Emphasis was placed on the urgency of the need for reconstruction and the early application of new discoveries in the field of medicine and insect control in order to prevent the spread of epidemics during the post-war period.

The group recommended that the United States Government associate itself immediately with other nations in taking steps leading to the early formation of a new and broad international health organization, to be closely linked with the Economic and Social Council of the United Nations.

Certain general functions visualized for the organization are the collection and analysis of world-wide disease statistics as a basis for epidemic control; assistance to national health services to control diseases at their sources; centralization, consolidation, and subsequent distribution of health and medical knowledge; standardization and control of drugs and other therapeutic agents.

Citing an example of effective organized inter-

national action in the control of an epidemic, Dr. Frank Boudreau, formerly Secretary of the Health Section of the League of Nations, described the action taken by the League at the request of the Greek Government in 1928 when dengue fever, a mosquito-transmitted disease, struck Greece, reducing its effective manpower to an extent that railroads, ports, and all essential activities were paralyzed. The League immediately summoned from nations throughout the world a group of outstanding experts in mosquito control, sending them to Athens. There these experts consulted with the Greek Government and worked out a plan which was put into effect by the Government, bringing the epidemic under control, restoring essential services to Greece, and preventing the spread of dengue to neighboring countries.

Emphasis was placed by the advisory group on the importance of stamping out disease at its source, in place of the older methods of attempting to limit the spread of disease through international quarantine. The control of typhus fever in World War II was cited as a striking example of the effectiveness of such attack. In the World War of 1914, serious epidemics of typhus spread throughout the armed forces and ravaged civilian populations in central Europe. Attempts to control its spread through quarantine isolation were ineffective because of the necessity of moving troops regardless of disease and insect infestation. Typhus, which has been thus spread over wide areas during the war, continued to rage following the war, particularly in Poland, where it continued to be reintroduced by repatriates. The typhus danger became acute in World War II after the landings of Allied forces in Italy, when typhus broke out in Naples. Although the troops were largely protected by new vaccines, there was great danger of spread throughout the civilian populations of southern and central Europe from this single source. By attacking the disease vigorously by delousing the civilian population with the new and dramatically effective insecticide, D.D.T., the disease was promptly stamped out in Naples before any significant spread could occur.

It was pointed out by the advisory group that prompt attack on old diseases at their source by

new agents offers an international health agency opportunities greater than any previously existing.

The United Nations Relief and Rehabilitation Administration was praised for the effective way in which it had assumed certain international health functions during the war. It was pointed out that a new agency must be ready to take over these functions when the temporary relief agency ceases to function.

Members of the group made specific suggestions as to the scope and structure of the contemplated new organization, recognizing that final decision as to these matters rests not with the United States but with all nations concerned. The group urged that the United States use its influence to create an organization which would be technically competent and at the same time representative of the interests of the peoples of the world, who, it pointed out, are the recipients of health services and therefore deeply interested in all health matters.

A complete list of those attending the two-day session follows:

DEPARTMENT OF STATE

The Honorable Dean Acheson, Under Secretary of State
 Mr. William T. Ham, Acting Chief, Division of International Labor, Social, and Health Affairs
 Mr. Philip Burnett, Division of International Organization Affairs
 Miss Marcia Maylott, Division of International Organization Affairs
 Miss Emma Joyce, Health Counselor, Division of Departmental Personnel
 Dr. L. L. Williams, Jr., Division of International Labor, Social, and Health Affairs
 Dr. H. van Zile Hyde, Division of International Labor, Social, and Health Affairs
 Mr. H. B. Calderwood, Division of International Labor, Social and Health Affairs

U. S. PUBLIC HEALTH SERVICE

Dr. Thomas Parran, Surgeon General, *Chairman*
 Dr. James A. Doull, Chief, Office of International Health Relations
 Dr. James A. Crabtree, Office of International Health Relations
 Dr. Michael B. Shimkin, Office of International Health Relations
 Miss Henderson

Miss Margaret Arnstein, Consultant Public Health Nurse, State of New York Department of Health
 Dr. Walter L. Bierring, Commissioner, Iowa State Department of Health

Dr. E. L. Bishop, Director of Health, Tennessee Valley Authority
 Mr. Arch Booth, Assistant General Manager, U.S. Chamber of Commerce
 Dr. Frank G. Boudreau, Director, Milbank Memorial Fund
 Mr. Nelson H. Cruikshank, Director, Social Insurance Activities, American Federation of Labor
 Dr. Hugh S. Cumming, Director, Pan American Sanitary Bureau
 Dr. Wilburt C. Davison, Dean, Duke University School of Medicine
 Mrs. LaFell Dickinson, President, General Federation of Women's Clubs
 Dr. Louis I. Dublin, Second Vice President and Statistician, Metropolitan Life Insurance Company
 Dr. Martha Eliot, Associate Chief, Children's Bureau, Department of Labor
 Dr. Kendall Emerson, Managing Director, National Tuberculosis Association
 Dr. Morris Fishbein, Editor, Journal of the American Medical Association
 Mr. Howard W. Green, Secretary, Cleveland Health Council
 Mr. George T. Guernsey, Assistant Director of Education, Congress of Industrial Organizations
 Rear Admiral John Harper, Chief of Professional Division, Bureau of Medicine and Surgery, Navy Department
 Dr. Victor Heiser, National Association of Manufacturers
 Maj. Gen. Norman T. Kirk, Surgeon General, U.S. Army
 Dr. John W. Lawlah, Dean, Howard University School of Medicine
 Dr. Ross A. McFarland, Medical Coordinator, Pan American Airways
 Dr. G. Ford McGinnes, National Medical Director, American Red Cross
 Dr. A. A. Moll, Assistant Director, Pan American Sanitary Bureau
 Dr. Joseph E. Moore, Director of Syphilology, Johns Hopkins University
 Dr. John Musser, School of Medicine, Tulane University
 Mr. Basil O'Connor, Chairman, American Red Cross
 Dr. Lowell J. Reed, Dean, Johns Hopkins School of Hygiene and Public Health
 Brig. Gen. James S. Simmons, Chief, Preventive Medicine Service, U.S. Army
 Dr. Edward A. Strecker, Professor of Psychiatry, University of Pennsylvania
 Dr. George Strode, Director, International Health Division, Rockefeller Foundation
 Mr. Howard Strong, U.S. Chamber of Commerce
 Dr. William H. Taliaferro, Department of Bacteriology and Parasitology, University of Chicago
 Dr. Russell M. Wilder, Mayo Clinic
 Dr. C-E. A. Winslow, Editor, American Journal of Public Health
 Mr. Abel Wolman, Professor of Sanitary Engineering, Johns Hopkins School of Hygiene and Public Health

International Boundary Along the Pilcomayo River

Argentina-Paraguay

The American Embassy at Asunción has informed the Department of State of the exchange of ratifications at Asunción on August 15, 1945, of the Complementary Treaty Establishing Definitive Boundary Between the Republics of Argentina and Paraguay Along the Pilcomayo River, and special protocol, signed at Buenos Aires June 1, 1945. With the ratification of the new treaty and the special protocol annexed thereto a definitive boundary line is provided for between the two countries along that section of the Pilcomayo River which has been under dispute for over 68 years or since the signing of the boundary treaty of February 3, 1876, which failed to take into account the fact that in the area between the points known as "Horqueta" and "Salto Palmar" there is no actual river but only swamp lands with a network of small streams which appear following heavy rains.

Article 1 of the treaty establishes the new boundary in accordance with the final recommendations of the final report of the "Mixed Argentine-Paraguayan Boundary Commission", dated in Asunción August 16, 1944. The final report, which is attached to the treaty as an annex, was approved by the Government of Argentina through Decree No. 27.177 M-240 of October 9, 1944 and by the Government of Paraguay through Decree No. 5.950 of November 9, 1944. The commission drew up the boundary in accordance with article 2 of the Complementary Boundary Treaty and with article 2 of the special protocol attached to the Complementary Boundary Treaty between Argentina and Paraguay signed July 5, 1939.

Article 2 of the 1945 treaty provides for the establishment of a "Mixed Commission for the Demarcation of Boundaries", which will undertake the demarcation and definition of the boundary line fixed in article 1 above, and will also be entrusted with the duty of marking the boundaries fixed by article 1 of the 1939 treaty. The commission will initiate its duties within six months after the exchange of ratifications.

Article 3 provides that in order to insure the

permanence of the dividing line and the utilization of the volume of water, the two Governments agree to the execution of the works indicated in the preliminary project prepared by the "Mixed Technical Commission of Hydraulic Studies and Works of the Pilcomayo River". These works shall be commenced in not more than two and a half years from the date of the exchange of ratifications of the present treaty.

Article 4 establishes a "Mixed Technical Commission for Hydraulic Works of the Pilcomayo River" to execute and supervise the hydraulic works referred to above. This commission will begin its duties not more than three months from the date of the exchange of ratifications. Within the following twelve months this commission will submit the definitive plan of the works and the budget for them to both Governments, which in turn will make known their decision within two months from the date of presentation of the plan and budget.

In Article 5 both Governments agree to establish a system of administrative control over the waters for the whole course of the Pilcomayo River, from the tripartite point "Esmeralda"¹ until its outlet into the Paraguayan River, as well as of maintenance of the works and of utilization of the volume of water and the corresponding measures taken in each case as soon as possible to prevent deviations and alterations in the present course of the Pilcomayo River, in the first and third sector and, in the definitive course of the river, in the second sector. To this end a permanent "Mixed Argentine-Paraguayan Commission of Administration and Observation of the Pilcomayo River" will be formed, composed of one expert from each country. Until such time as the hydraulic works provided for in article 3 are completed, this task will be undertaken by the "Mixed Technical Commission for Hydraulic Works," provided for in article 4.

Article 6 provides that for the purposes of financing and allocating the works provided for in article 3 and for the purposes of the proper functioning and regulation of the mixed commissions provided for in articles 2, 4, and 5 of the treaty, a special protocol annexed to the treaty would be signed on the same day.

¹ Where Argentina, Paraguay, and Bolivia meet.

Article 7 provides that the treaty will enter into force on the exchange of ratifications.

The special protocol signed also June 1, 1945, sets forth procedure to be followed. Article 4 of the protocol provides that within six months after the minutes of the "Mixed Commission for the Demarcation of Boundaries" are received, the two Governments pledge themselves to evacuate the areas which will pass from the jurisdiction of one country to that of another.

Article 14 of the protocol states that within two months following the approval of the final plan of works and budget referred to in article 4 of the complementary treaty, both Governments will decide which of them will undertake the execution of these works, which works will be assigned to government agencies or to private firms of the same nationality as the designated country. It is stipulated in article 15 that the country designated to carry out the works will defray all expenses in connection with their execution.

The protocol also entered into force on the day of the exchange of the ratifications thereof.

Travel to Korea

[Released to the press October 16]

Military government exercised in the American zone of control south of the 38° parallel in Korea under American armed forces has initiated a policy of seeking advice on local matters from representative Koreans in their individual capacities. In line with this policy, the opportunity to return from abroad is now open to Koreans who are interested in rendering service to their countrymen. Applications for exit permits are being received by the Visa Division of the Department of State. Approval for travel to and entry into that portion of Korea now under occupation by American armed forces is a matter which is taken up by the Visa Division with the War Department in the course of applications for exit permits. The first applicant has received his permit and is now on his way to Korea.

Return to the area of Korea under American occupation by Koreans who have been resident in China is also recognized as desirable, and transportation for such individuals is subject to arrangements being made in accordance with facilities operated under United States Army direction in China.

Far Eastern Advisory Commission

DATE FOR FIRST MEETING

[Released to the press October 19]

Because of travel difficulties, several of the governments which will participate in the Far Eastern Advisory Commission have requested postponement of the initial meeting originally set for October 23. Therefore it has been decided to hold the first meeting of the Commission on October 30, 1945.

APPOINTMENT OF REPRESENTATIVES

[Released to the press October 16]

China

The American Embassy in Chungking has informed the Department of State that the Chinese Government has designated His Excellency, Wei Tao-ming, Chinese Ambassador in Washington, as the Chinese representative on the Far Eastern Advisory Commission.

[Released to the press October 17]

Great Britain

The Department of State has been informed by the British Government that it has appointed Lord Halifax, British Ambassador to the United States, as its representative on the Far Eastern Advisory Commission. Sir George Sansom, Minister Counselor of the British Embassy in Washington, has been appointed alternate for Lord Halifax.

[Released to the press October 18]

Commonwealth of the Philippines

The Commonwealth of the Philippines has accepted the invitation of the United States Government to attend the meeting of the Far Eastern Advisory Commission. Brig. Gen. Carlos Romulo, Resident Commissioner of the Philippines, has been appointed the representative on the Commission. His alternate will be Tomas Confesor, member of the Filipino Rehabilitation Commission.

[Released to the press October 20]

New Zealand

The Department of State has been informed by the New Zealand Government that it has appointed the Honorable C. A. Berendsen, New Zealand Minister to the United States, as its representative on the Far Eastern Advisory Commission.

The Post-War Period in the Far East

Address by JOHN CARTER VINCENT¹

[Released to the press October 20]

Travel, unless undertaken out of curiosity or for fun, generally presupposes a destination. Foreign policy, unless undertaken out of curiosity or for fun, presupposes objectives. And in 1945 we can't afford foreign policy for fun or as a luxury.

We—the American people—must decide upon our objectives and then search for policies and implementing procedures best calculated to achieve our objectives. Objectives should be so clearly expressive of the national will as to arouse little controversy. On the other hand, policies to achieve these objectives may be, as we well know, subject to considerable debate. A policy pursued may of necessity represent not the most direct route toward an objective but a compromise of various views as to the best route to follow, or it may represent deviations along the route to meet special and immediate problems. These conditions often account for divergencies between policies followed by the Government and those advocated by independent writers and commentators.

A statement of objectives, as I have said, does not generally meet with these difficulties. I am therefore going to state a few broad objectives of foreign policy on which I believe we can all agree and then examine some of our policies in the light of those objectives. I realize in what I am about to say that our objectives have universal application and that our policies are in many instances also not limited to any special area. But I am talking about the Far East—at least that is what I was asked to do.

And I want to make one other, perhaps obvious, distinction clear: that is, the distinction between objectives and policies. Take, for example, two much-used words: *security* and *cooperation*. I have frequently heard international cooperation spoken of as an objective of our foreign policy.

It is not. It is a policy to achieve our objectives, one of the most vital being the security of the United States. But lest you misunderstand me, let me add and emphasize that I consider international cooperation the most important of our foreign policies, *if* we are to achieve our security objective.

What are the objectives of our foreign policies that I have in mind? They can be stated quite simply. They are: (1) to provide for the security of the United States and the maintenance of international peace and (2) to create in the relations among states conditions conducive to mutually beneficial commercial and cultural exchanges which will promote international welfare and understanding.

In a joint statement issued from Chungking on June 24, 1944, Generalissimo Chiang Kai-shek and Vice President Wallace enunciated an objective directly related to those I have stated. They said: "The objective of victory in the Pacific is the establishment of a democratic peace based on political and social stability deriving from government devoted to the welfare of peoples." They then, as I shall do, went on to name some policies which they considered essential to the achievement of that objective. They said: "Enduring peace in the Pacific will depend upon (1) effective, permanent demilitarization of Japan; (2) understanding, friendship, and collaboration between and among the four principal powers in the Pacific area—China, the Soviet Union, the United States, and the British Commonwealth of Nations—and among all United Nations willing to share in the responsibilities of post-war international order; and (3) recognition of the fundamental right of presently dependent Asiatic peoples to self-government, and the early adoption of measures in the political, economic, and social fields to prepare those dependent peoples for self-government within a specified practical time limit." I believe there will be found in America little or no disposition to question those policies.

¹Made at the Foreign Policy Association Forum, "Between War and Peace," in New York, N. Y., on Oct. 20, 1945. Mr. Vincent is Director of the Office of Far Eastern Affairs, Department of State.

Our objectives in regard to the Far East can be generalized. Our policies cannot be. They must be adapted to meet divergent geographical, political, and social situations. In the Far East we have (1) a defeated and so far unregenerate Japan; (2) Korea, which is to start on the road to independence after two generations of subjection to Japan; (3) China, our Ally and long-time friend, whose principal problems, now that the menace of Japan has been removed, are political unity and economic reconstruction; (4) Siam, an independent nation which has for the past five years been under the domination of Japan; and (5) the colonial area of southeast Asia under the sovereignty of our Allies.

With regard to Japan, a White House release on September 22 gave in some 15 pages a clear summary of our policy toward Japan. It was entitled "U.S. Initial Post-Surrender Policy for Japan".² I commend it to you. I will mention also, but modesty forbids my commending it, a broadcast in which I participated two weeks ago on the same subject.³ A brief quotation from the White House release may serve to refresh your interest.

"Japan will be completely disarmed and demilitarized. The authority of the militarists and the influence of militarism will be totally eliminated from her political, economic, and social life. Institutions expressive of the spirit of militarism and aggression will be vigorously suppressed.

"... The Japanese people shall be encouraged to develop a desire for individual liberties and respect for fundamental human rights, particularly the freedoms of religion, assembly, speech, and the press. They shall also be encouraged to form democratic and representative organizations.

"... The Japanese people shall be afforded opportunity to develop for themselves an economy which will permit the peacetime requirements of the population to be met."

We are all keenly interested in how these policies will be implemented. I hope this interest will remain keen—but not impatient. General MacArthur is in my opinion doing a good job. We should not try to "hustle" the East, or General MacArthur. Reform in the social, economic, and political structure of Japan must be a gradual process, wisely initiated and carefully fostered.

You are also no doubt interested in the proposed Far Eastern Advisory Commission. I am glad you are. So am I, although it will mean a lot of additional work. It is impossible to state here and now just how the Commission will operate. That will depend in large measure on the Commission, but I am confident that with General McCoy as our representative we will do our full share in making it work.

At present, and for the past 10 months, the State, War, Navy Coordinating Committee, called SWNCC, has been formulating policy for the President's approval on questions of basic importance, including those connected with the surrender and administration of Japan and of liberated areas in the Far East. I am chairman of the SWNCC Subcommittee for the Far East. This subcommittee devotes its energies to the preparation of policy papers and directives concerning Far Eastern matters. The subcommittee meets twice a week to consider papers presented by specialists on the various subjects under consideration. These papers, when approved, are submitted to the over-all State, War, Navy Committee, which is composed of high-ranking officials of the three departments. On the military aspects of papers, the views of the Joint Chiefs of Staff are obtained and carefully considered. Papers of basic importance, after being adopted by the top Committee, are submitted by the Secretary of State to the President for his approval.

The policy paper from which I have quoted was prepared in SWNCC and approved by the President. A reading of the subheadings in that document will give you an idea of some of the special subjects dealt with in our papers. Those headings include such subjects as war criminals; economic demilitarization; promotion of democratic forces; fiscal, monetary, and banking policies; equality of opportunity for foreign enterprise in Japan; individual liberties and democratic processes. One of them, entitled "Relationship to Japanese Government", calls for special mention. Shortly after the Japanese surrender to General MacArthur on September 9, the following message was sent to General MacArthur:

"1. The authority of the Emperor and the Japanese Government to rule the State is subordinate to you as Supreme Commander for the Allied

² BULLETIN of Sept. 23, 1945, p. 423.

³ BULLETIN of Oct. 7, 1945, p. 538.

powers. You will exercise your authority as you deem proper to carry out your mission. Our relations with Japan do not rest on a contractual basis, but on an unconditional surrender. Since your authority is supreme, you will not entertain any question on the part of the Japanese as to its scope.

"2. Control of Japan shall be exercised through the Japanese Government to the extent that such an arrangement produces satisfactory results. This does not prejudice your right to act directly if required. You may enforce the orders issued by you by the employment of such measures as you deem necessary, including the use of force.

"3. The statement of intentions contained in the Potsdam Declaration will be given full effect. It will not be given effect, however, because we consider ourselves bound in a contractual relationship with Japan as a result of that document. It will be respected and given effect because the Potsdam Declaration forms a part of our policy stated in good faith with relation to Japan and with relation to peace and security in the Far East."⁴

This, I think, makes quite clear our interpretation of the Potsdam Declaration and also quite clear for General MacArthur what his relationship is to the Japanese Government.

In Korea our policy problems are both obvious and difficult.⁵ Korea is to be separated from Japan and become an independent member of the family of nations. But Korea, after years of subjection to Japan, is not immediately prepared to exercise self-government. We therefore advocate a period of trusteeship during which Koreans will be prepared to take over the independent administration of their country. How long that will require neither you nor I can say; we will agree, however, that the briefer the period, the better.

The present division of Korea north and south of latitude 38 into Russian and American zones of occupation was made for military operational purposes and for purposes of surrender. It is manifestly unsatisfactory from the standpoint of administration of the country, and we hope to work out with our Soviet Allies, who are in the northern half of the country, a liaison and understanding which will solve many administrative

problems prior to the establishment of a trusteeship in which we expect the Allies principally interested in Korea to participate.

In the southern half of Korea, which our military authorities are administering, a consultative council composed of Koreans has been established. Koreans from abroad are being encouraged to return to Korea to participate in this council and in the administration.

Our policy with regard to Korea is then to bring into being as quickly as possible an independent, democratic, and prosperous nation. As soon as it is feasible to do so, I should like to see American businessmen, missionaries, and cultural organizations established in Korea and contributing their share toward implementing American policies there.

In southeast Asia a situation has developed to the liking of none of us, least of all to the British, the French, the Dutch, and, I gather, to the Annamese and Indonesians. With regard to the situation in French Indochina, this Government does not question French sovereignty in that area. Our attitude toward the situation in the Dutch East Indies is similar to that in regard to French Indochina. In both these areas, however, we earnestly hope that an early agreement can be reached between representatives of the governments concerned and the Annamese and Indonesians. It is not our intention to assist or participate in forceful measures for the imposition of control by the territorial sovereigns, but we would be prepared to lend our assistance, if requested to do so, in efforts to reach peaceful agreements in these disturbed areas.

In a statement issued by Secretary Hull on March 21, 1944, entitled "Bases of the Foreign Policy of the United States,"⁶ there occurs the following paragraph in regard to "dependent peoples": "There rests upon the independent nations a responsibility in relation to dependent peoples who aspire to liberty. It should be the duty of nations having political ties with such peoples . . . to help the aspiring peoples to develop materially and educationally, to prepare themselves for the duties and responsibilities of self-government, and to attain liberty." This continues to be American policy.

With regard to Siam, we have never considered ourselves at war with that nation, although the Government in control in 1942 declared war on the

⁴ BULLETIN of Sept. 30, 1945, p. 480.

⁵ BULLETIN of June 10, 1945, p. 1058.

⁶ BULLETIN of Mar. 25, 1944, p. 275

United States. We consider Siam an independent and sovereign nation. It is our policy to foster friendly relations with Siam and encourage the development of healthy democratic institutions and a sound economy. We advocate the "Open Door" there, as in other areas, and equality of treatment by Siam of all nations and their nationals. The British Government, which declared war on Siam in response to Siam's declaration of war on Great Britain, is now negotiating at Kandy with the Siamese an agreement to terminate the state of hostilities. We have followed these negotiations and have reason to hope that they may be successfully concluded in the near future.⁷

Our policy toward our Ally China is clear and consistent. Our policy has been, is, and will be to encourage and assist, when we can appropriately do so, the development of a unified, strong, and cooperative nation with a government based on democratic principles and popular sovereignty. Our Ambassador, General Hurley, has worked unflinchingly for the realization of this policy. We fought side by side with China in a war against Japan which China entered four and a half years before we did. We shall continue to collaborate with China in the solution of its and our problems.

Generalissimo Chiang and Mao Tse-tung have recently announced a 12-point agreement in regard to the Kuomintang-Communist problem. No one who knows anything about conditions in China would argue that the agreement is definitive, but it allays the fears which were so lively a month ago that there would be wide-spread civil war in China, and it furnishes the framework for an adjustment of the differences between the Government, the Communists, and other non-government political groups in China.

At the root of China's difficulties is the need for certain economic reforms, particularly in the agrarian field and in the field of taxation. China's leaders realize this, and we may hope that, with the return of peace, they will set about instituting the necessary reforms. Much is written about the industrialization of China. But without reforms, one of the primary objectives of which would be to increase the individual incomes of the Chinese farmers, and without an expanded transportation system and a sound currency, industrial development would be meaningless to the Chinese people. It would rest on the insecure basis of foreign markets for its continued existence. American capital and technical know-how will be available to

China, I am sure, if China's reconstruction follows the lines I have mentioned. There is every reason to believe that Chinese and American businessmen can develop and expand their commercial trade on a non-discriminatory and mutually beneficial basis. It is our policy to encourage commercial relations of this kind with China.

It is our policy to encourage and facilitate the reestablishment of American business in China. Probably not with all the speed desired, but with all the speed we can generate, we are endeavoring to get businessmen back into China for their sake and for China's sake. We want them back in Shanghai, Hong Kong, Tientsin, and other ports as quickly as possible. We are reopening consulates in these and other cities.

What I have said regarding American businessmen applies with equal force to missionaries and representatives of cultural and philanthropic organizations. We want them back in China as soon as transportation facilities and conditions in China will permit.

Some question may have arisen in your mind with regard to the dispatch of American Marines to north China. They have been sent there pursuant to military directives to serve a specific purpose, that is, to assist Chiang Kai-shek in demobilizing and repatriating Japanese troops in the area. Their stay is temporary. They will be withdrawn when they are no longer required for the purpose for which they were sent. Generalissimo Chiang has announced that the Marines would leave north China as soon as they can be relieved by Chinese Government forces. The process of relief is now in progress.

China is in a position to form a buffer or a bridge in our relations with the Soviet Union in the Far East. We will all agree, I believe, that the bridge concept is preeminently preferable, and that it should be our policy to make it a fact. I would go further and say that only through the cooperation of China, the U.S.S.R., and ourselves can the objectives of our policy in the Far East be achieved.

In August, the Chinese and Soviet Governments entered into certain agreements which we hope will stabilize the relations between those two countries. It will be our policy to cooperate with China and the Soviet Union for stability in the Far East. We will cooperate with neither of them in any policy directed against the other.

⁷ BULLETIN of Aug. 19, 1945, p. 261.

Secretary Byrnes has indicated that the United States desires cooperation with the Soviet Union on all matters of mutual concern. This attitude rests upon a recognition of the importance of amicable Soviet-American relations. We know that Russia has important interests in the Far East. We expect recognition by Russia that we also have important interests in that area. We shall, therefore, pursue policies consistent with our over-all objectives, best calculated to bring about Russian recognition of our position in the Far East and to accord fair recognition to the Russian position in that area—and further, to bring about a Russian understanding that our objectives in the Far East are in harmony with the objectives of any peacefully inclined nation.

In conclusion, let me recapitulate and pose some questions. Our objectives are (1) to provide for the security of the United States and the maintenance of international peace; (2) to create in the relations among states conditions conducive to mutually beneficial commercial and cultural exchanges which will promote international welfare and understanding; and (3) the related objective, stated by Generalissimo Chiang and Mr. Wallace, to establish a democratic peace based on political and social stability deriving from government devoted to the welfare of peoples.

Do we believe that a demilitarized and democratized Japan is in line with our objectives or do we believe that the revival of a pre-war Japan would better suit our purposes? The answer is clear and emphatic. We want a completely regenerate and reformed Japan.

Do we feel that the early development of an independent, democratic Korea is good policy, not simply because we have had a natural predilection for independence and democracy for three centuries, but because we believe that the development of such a Korean state would further our objectives? I am sure we do.

Do we desire the maintenance and strengthening of Siamese sovereignty and democracy because it would be “nice” for the Siamese or because it would contribute toward the realization of our objectives in the Far East? The answer, I suppose, is both. We can be sentimental as well as practical—as long as we *are* practical.

Similarly, do we feel that dependent peoples of southeast Asia should be assisted “to prepare themselves for the duties and responsibilities of

self-government, and to attain liberty”, to use Mr. Hull’s words? Do we feel that recognition given to the self-governing aspirations of dependent peoples will be conducive to peace and well-being in the Far East? I believe we do.

And finally, are we sure that our desire for a unified and democratic China is not simply an expression of our traditional good-will toward the Chinese without reference to realities and our objectives? I am confident that we are. Without such a China peace in the Far East would be in serious jeopardy.

But—and this is my last word, or last paragraph, I should say—we must not fall into the error of considering the implementation of these policies and the realization of these objectives as our private and exclusive job. I have described international cooperation as a policy. It is a policy—but it is, to my mind, an overriding policy. We are to be a participant in the United Nations Organization. The operation of that Organization will not, as some seem to think, furnish a substitute for national foreign policies. It should be—we should make it—a convenient, an efficient, and an effective clearing-house for national foreign policies and for their reconciliation in the interests of international security, peace, and welfare. Therefore, and in conclusion, I would strongly advocate that the policies we pursue be able to stand careful international examination. I believe those I have summarized for the Far East will do so.

Visit of President Ríos of Chile

Statement by PRESIDENT TRUMAN

[Released to the press by the White House October 16]

President Ríos of Chile left Washington yesterday after an official visit, during which it was my privilege to have him as a guest at the White House. It was a great pleasure to meet him, not only as a friend and statesman but also as the representative of a democratic people and a functioning democracy.

We discussed the mutual desire to strengthen the solidarity of the republics of the Western Hemisphere on the basis of the ideals for which the war was fought and won.

Acceptance of Invitation to Telecommunications Conference

[Released to the press October 20]

The Government of the United States has accepted an invitation from the British Government to participate in a conference in Bermuda to consider telecommunications questions outstanding between the United States and the members of the British Commonwealth. Representatives of the Governments of the British Dominions will also be represented. The conference will open in Bermuda November 19.

Statement by Assistant Secretary Russell on the Foreign Service

[Released to the press October 16]

In assuming the position of Assistant Secretary of State for administration, I am anxious to convey to all of you in the Department and the Foreign Service this expression of my appreciation of the fine job you have been doing and of the loyalty and patience you have shown during the several reorganizations of the Department in the past year or two.

All of you know that the Department and the Foreign Service must be improved and expanded to meet the great responsibilities ahead. Some progress has been achieved, and many of you are familiar with the plans now being made to better the organizational structure and strengthen the manpower of the two services. It is not my intention here to discuss these plans in detail. Rather it is my immediate purpose to assure you—and I speak equally for the Secretary—that our plans are founded on the best in the existing structures and will fully recognize ability and loyalty in the men and women of both services.

During the past few months there have been many rumors circulating in the Department and the Foreign Service which have had a disturbing effect on morale and efficiency. I am glad to be able to dispel at least one of these rumors here and now. I have read the report prepared by the Bureau of the Budget for the Secretary and I find

nothing in it to warrant the fears and misgivings which have been circulating. We are not going to make any further changes in the structure of the Department or the Foreign Service without first giving the responsible officers full opportunity to submit their views and recommendations. We must have your confidence and you must have ours. Apart from this we must put our house in sound order before we can enlarge it. We cannot expect to do the day's work, let alone plan tomorrow's, amidst uncertainty.

THE CONGRESS

Facilitating Further the Disposition of Prizes Captured by the United States. H. Rept. 1122, 79th Cong., to accompany H. R. 4231. 5 pp. [Favorable report.]

First Supplemental Surplus Appropriation Rescission Bill, 1946. H. Rept. 1125, 79th Cong., to accompany H. R. 4407. 38 pp. [Favorable report.]

Fourth Report to Congress on United States Participation in Operations of UNRRA. Message from the President of the United States Transmitting Fourth Report to Congress on United States Participation in Operations of UNRRA. H. Doc. 309, 79th Cong. 48 pp.

Supplemental Estimates of Appropriation for the State Department. Communication from the President of the United States transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$1,641,000 for the Department of State. H. Doc. 311, 79th Cong. 4 pp.

Proposed Provision Pertaining to an Existing Appropriation for "Foreign-Service Pay Adjustment, Appreciation of Foreign Currencies": Communication from the President of the United States transmitting draft of a proposed provision pertaining to an existing appropriation for the fiscal year 1946, "Foreign-Service Pay Adjustment, Appreciation of Foreign Currencies". H. Doc. 320, 79th Cong. 2 pp.

Study of Naturalization Laws and Procedures: Hearings before Subcommittee II of the Committee on Immigration and Naturalization, House of Representatives, Seventy-ninth Congress, first session, pursuant to H. R. 52, a bill authorizing a complete study of immigration and naturalization laws and problems, May 9, June 4 and 5, 1945. iii, 95 pp.

Renewal of Certain Trade-mark Registrations after Expiry: Hearings Before the Committee on Patents, House of Representatives, Seventy-ninth Congress, first session on H. R. 3424, a bill to permit renewal of certain trade-mark registrations after expiry thereof, and for other purposes. September 13, 1945. iii, 11 pp.

Reorganization of the Executive Departments: Hearings Before a Subcommittee of the Committee on the Judiciary, United States Senate, Seventy-ninth Congress, first session, on S. 1120, a bill to provide for the reorganization of Government agencies and for other purposes. September 6, 7, 14, 17, and 18, 1945. iii, 131 pp.

THE DEPARTMENT

Appointment of Officers

Samuel D. Boykin and Elwood N. Thompson as Special Assistants to the Director of the Office of Special Political Affairs, effective September 25, 1945.

Joseph Flack as Chief of the Division of North and West Coast Affairs, effective October 1, 1945.

James K. Penfield as Deputy Director of the Office of Far Eastern Affairs, effective October 10, 1945.

Everett F. Drumright as Chief of the Division of Chinese Affairs, effective October 10, 1945.

[Released to the press October 15]

The Department of State announced that Ralph McGill, editor of the *Atlanta Constitution*, and Col. John Hay Whitney have been appointed spe-

cial advisers and consultants. Mr. McGill will work with Secretary of State William Benton and Mr. John H. Kuhl, Director of the Interim International Information Service. Mr. McGill will advise on matters concerning the wire services and the clearing out of the past and present activities of the Office of War Information and the Office of Inter-American Affairs. Mr. McGill is active on these matters at this time.

Colonel Whitney will advise on relations with the motion-picture industry, arising from the activities not only of the Office of War Information and the Office of Inter-American Affairs, but also from the past and present interests of the State Department.

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THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 331

OCTOBER 28, 1945

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THE DEPARTMENT OF STATE BULLETIN

Vol. XIII • No. 331 •

• PUBLICATION 2409



October 28, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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Restatement of Foreign Policy of the United States

Address by THE PRESIDENT ¹

[Released to the press by the White House October 27]

MAYOR LaGUARDIA, LADIES AND GENTLEMEN: I am grateful for the magnificent reception which you have given me today in this great city of New York. I know that it is given to me only as the representative of the gallant men and women of our naval forces, and on their behalf, as well as my own, I thank you.

New York joins the rest of the Nation in paying honor and tribute to the 4 million fighting Americans of the Navy, Marine Corps, and Coast Guard—and to the ships which carried them to victory.

On opposite sides of the world, across two oceans, our Navy opened a highway for the armies and air forces of the United States. They landed our gallant men, millions of them, on the beach-heads of final triumph. Fighting from Murmansk, the English Channel, and the Tyrrhenian Sea, to Midway, Guadalcanal, Leyte Gulf, and Okinawa—they won the greatest naval victories in history. Together with their brothers in arms in the Army and Air Force, and with the men of the Merchant Marine, they have helped to win for mankind all over the world a new opportunity to live in peace and dignity—and, we hope, in security.

In the harbor and rivers of New York City and in other ports along the coasts and rivers of the country, ships of that mighty United States Navy are at anchor. I hope that you and the people everywhere will visit them and their crews, seeing for yourselves what your sons and daughters, your labor and your money, have fashioned into an invincible weapon of liberty.

The fleet, on V-J Day, consisted of 1,200 warships, more than 50,000 supporting and landing

craft, and over 40,000 navy planes. By that day, ours was a sea power never before equaled in the history of the world. There were great carrier task forces capable of tracking down and sinking the enemy's fleets, beating down his airpower, and pouring destruction on his war-making industries. There were submarines which roamed the seas, invading the enemy's own ports, and destroying his shipping in all the oceans. There were amphibious forces capable of landing soldiers on beaches from Normandy to the Philippines. There were great battleships and cruisers which swept enemy ships from the seas and bombarded his shore defense almost at will.

And history will never forget that great leader who, from his first day in office, fought to reestablish a strong American Navy—who watched that Navy and all the other might of this Nation grow into an invincible force for victory—who sought to make that force an instrument for a just and lasting peace—and who gave his life in the effort—Franklin D. Roosevelt.

The roll call of the battles of this fleet reads like signposts circling the globe—on the road to final victory. North Africa, Sicily, Italy, Normandy, and southern France; Coral Sea, Midway, Guadalcanal, and the Solomons; Tarawa, Saipan, Guam, the Philippine Sea, Leyte Gulf; Iwo Jima, and Okinawa. Nothing which the enemy held on any coast was safe from its attack.

Now we are in the process of demobilizing our naval force. We are laying up ships. We are breaking up aircraft squadrons. We are rolling up bases and releasing officers and men. But when our demobilization is all finished as planned, the United States will still be the greatest naval power on earth.

In addition to that naval power, we shall still have one of the most powerful air forces in the world. And just the other day, so that on short

¹ Delivered in Central Park, New York, N.Y., in connection with the celebration of Navy Day on Oct. 27, 1945, at 1:30 p.m.

notice we could mobilize a powerful and well-equipped land, sea, and air force, I asked the Congress to adopt universal training.

Why do we seek to preserve this powerful naval and air force, and establish this strong Army reserve? Why do we need them?

We have assured the world time and again—and I repeat it now—that we do not seek for ourselves one inch of territory in any place in the world. Outside of the right to establish necessary bases for our own protection, we look for nothing which belongs to any other power.

We do need this kind of armed might however, and for four principal tasks:

First, our Army, Navy, and Air Force, in collaboration with our Allies, must enforce the terms of peace imposed upon our defeated enemies.

Second, we must fulfil the military obligations which we are undertaking as a member of the United Nations Organization—to support a lasting peace, by force if necessary.

Third, we must cooperate with other American nations to preserve the territorial integrity and the political independence of the nations of the Western Hemisphere.

Fourth, in this troubled and uncertain world, our military forces must be adequate to discharge the fundamental mission laid upon them by the Constitution of the United States—to “provide for the common defense” of the United States.

These four military tasks are directed not toward war—not toward conquest—but toward peace.

We seek to use our military strength solely to preserve the peace of the world. For we now know that that is the only sure way to make our own freedom secure.

That is the basis of the foreign policy of the people of the United States.

The foreign policy of the United States is based firmly on fundamental principles of righteousness and justice. In carrying out those principles we shall firmly adhere to what we believe to be right; and we shall not give our approval to any compromise with evil.

But we know that we cannot attain perfection in this world overnight. We shall not let our search for perfection obstruct our steady progress toward international cooperation. We must be prepared to fulfil our responsibilities as best we

can, within the framework of our fundamental principles, even though we recognize that we have to operate in an imperfect world.

Let me restate the fundamentals of that foreign policy of the United States:

1. We seek no territorial expansion or selfish advantage. We have no plans for aggression against any other state, large or small. We have no objective which need clash with the peaceful aims of any other nation.

2. We believe in the eventual return of sovereign rights and self-government to all peoples who have been deprived of them by force.

3. We shall approve no territorial changes in any friendly part of the world unless they accord with the freely expressed wishes of the people concerned.

4. We believe that all peoples who are prepared for self-government should be permitted to choose their own form of government by their own freely expressed choice, without interference from any foreign source. That is true in Europe, in Asia, in Africa, as well as in the Western Hemisphere.

5. By the combined and cooperative action of our war Allies, we shall help the defeated enemy states establish peaceful, democratic governments of their own free choice. And we shall try to attain a world in which Nazism, Fascism, and military aggression cannot exist.

6. We shall refuse to recognize any government imposed upon any nation by the force of any foreign power. In some cases it may be impossible to prevent forceful imposition of such a government. But the United States will not recognize any such government.

7. We believe that all nations should have the freedom of the seas and equal rights to the navigation of boundary rivers and waterways and of rivers and waterways which pass through more than one country.

8. We believe that all states which are accepted in the society of nations should have access on equal terms to the trade and the raw materials of the world.

9. We believe that the sovereign states of the Western Hemisphere, without interference from outside the Western Hemisphere, must work together as good neighbors in the solution of their common problems.

10. We believe that full economic collaboration between all nations, great and small, is essential to

the improvement of living conditions all over the world, and to the establishment of freedom from fear and freedom from want.

11. We shall continue to strive to promote freedom of expression and freedom of religion throughout the peace-loving areas of the world.

12. We are convinced that the preservation of peace between nations requires a United Nations Organization composed of all the peace-loving nations of the world who are willing jointly to use force if necessary to insure peace.

That is the foreign policy which guides the United States now. That is the foreign policy with which it confidently faces the future.

It may not be put into effect tomorrow or the next day. But none the less, it is our policy; and we shall seek to achieve it. It may take a long time, but it is worth waiting for, and it is worth striving to attain.

The Ten Commandments themselves have not yet been universally achieved over these thousands of years. Yet we struggle constantly to achieve them, and in many ways we come closer to them each year. Though we may meet set-backs from time to time, we shall not relent in our efforts to bring the Golden Rule into the international affairs of the world.

We are now passing through a difficult phase of international relations. Unfortunately it has always been true after past wars that the unity among Allies, forged by their common peril, has tended to wear out as the danger passed.

The world can not afford any let-down in the united determination of the Allies in this war to accomplish a lasting peace. The world can not afford to let the cooperative spirit of the Allies in this war disintegrate. The world simply cannot allow this to happen. The people in the United States, in Russia and Britain, in France and China, in collaboration with all other peace-loving people, must take the course of current history into their own hands and mould it in a new direction—the direction of continued cooperation. It was a common danger which united us before victory. Let it be a common hope which continues to draw us together in the years to come.

The atomic bombs that fell on Hiroshima and Nagasaki must be made a signal, not for the old process of falling apart but for a new era—an era of ever closer unity and ever closer friendship among peaceful nations.

Building a peace requires as much moral stamina as waging a war. Perhaps it requires even more, because it is so laborious and painstaking and undramatic. It requires undying patience and continuous application. But it can give us, if we stay with it, the greatest reward that there is in the whole field of human effort.

Differences of the kind that exist today among the nations that fought together so long and so valiantly for victory are not hopeless or irreconcilable. There are no conflicts of interest among the victorious powers so deeply rooted that they can not be resolved. But their solution will require a combination of forbearance and firmness. It will require a steadfast adherence to the high principles we have enunciated. It will also require a willingness to find a common ground as to the methods of applying these principles.

Our American policy is a policy of friendly partnership with all peaceful nations, and of full support for the United Nations Organization. It is a policy that has the strong backing of the American people. It is a policy around which we can rally without fear or misgiving.

The more widely and clearly that policy is understood abroad, the better and surer will be the peace. For our own part, we must seek to understand the special problems of other nations. We must seek to understand their own legitimate urge toward security as they see it.

The immediate, the greatest threat to us is the threat of disillusionment, the danger of an insidious skepticism—a loss of faith in the effectiveness of international cooperation. Such a loss of faith would be dangerous at any time. In an atomic age it would be nothing short of disastrous.

There has been talk about the atomic bomb scrapping all navies, armies, and air forces. For the present, I think that such talk is 100 percent wrong. Today control of the seas rests in the fleets of the United States and her Allies. There is no substitute for them. We have learned the bitter lesson that the weakness of this great Republic invites men of ill-will to shake the very foundations of civilization all over the world.

What the distant future of atomic research will bring to the fleet which we honor today, no one can foretell. But the fundamental mission of the Navy has not changed. Control of our sea ap-

proaches and of the skies above them is still the key to our freedom and to our ability to help enforce the peace of the world. No enemy will ever strike us directly except across the sea. We cannot reach out to help stop and defeat an aggressor without crossing the sea. Therefore, the Navy, armed with whatever weapons science brings forth, is still dedicated to its historic task: control of the ocean approaches to our country and of the skies above them.

The atomic bomb does not alter the basic foreign policy of the United States. It makes the development and application of our policy more urgent than we could have dreamed six months ago. It means that we must be prepared to approach international problems with greater speed, with greater determination, and with greater ingenuity, in order to meet a situation for which there is no precedent.

We must find the answer to the problems created by the release of atomic energy—as we must find the answers to the many other problems of peace—in partnership with all the peoples of the United Nations. For their stake in world peace is as great as our own.

As I said in my message to the Congress, discussion of the atomic bomb with Great Britain and Canada and later with other nations cannot

wait upon the formal organization of the United Nations. These discussions, looking toward a free exchange of fundamental scientific information, will be begun in the near future. But I emphasize again, as I have before, that these discussions will not be concerned with the processes of manufacturing the atomic bomb or any other instruments of war.

In our possession of this weapon, as in our possession of other new weapons, there is no threat to any nation. The world, which has seen the United States in two great recent wars, knows that full well. The possession in our hands of this new power of destruction we regard as a sacred trust. Because of our love of peace, the thoughtful people of the world know that that trust will not be violated, that it will be faithfully executed.

Indeed the highest hope of the American people is that world cooperation for peace will soon reach such a state of perfection that atomic methods of destruction can be definitely and effectively outlawed forever.

We have sought, and we will continue to seek, the attainment of that objective. We shall pursue that course with all the wisdom, patience, and determination that the God of Peace can bestow upon a people who are trying to follow in His path.

Commissioning of U.S.S. "Franklin D. Roosevelt"

*Address by THE PRESIDENT*¹

[Released to the press October 27]

ADMIRAL DAUBIN, CAPTAIN SOUCEK, MRS. ROOSEVELT, LADIES AND GENTLEMEN: One of the pleasant duties in the exacting daily life of a President is to award honors to our fighting men for courage and valor in war. In the commissioning of this ship, the American people are honoring a stalwart hero of this war who gave his life in the service of his country. His name is engraved on this great carrier, as it is in the hearts of men and women of good-will the world over—Franklin D. Roosevelt.

If anyone can be called the father of the new American Navy which is typified by this magnifi-

cent vessel, it is he. From his first day as President he started to build it.

Even as he started to build the Navy, he began to work for world peace. By his realistic good-neighbor policy, by reciprocal trade agreements, by constant appeal to international arbitration instead of force, he worked valiantly in the cause of peace. By his constant battle for the forgotten man he sought to remove the social and economic inequalities which have so often been at the root of conflict at home and abroad. And when he saw the clouds of aggression forming across the seas to the east and to the west, he issued warning after warning which, had they been heeded in time, might have staved off this tragic conflict.

But through it all, he never faltered in his work to build up the American Navy. For he under-

¹ Delivered at the New York Navy Yard on Oct. 27, 1945, at 11 a. m., in connection with the commissioning of the U.S.S. *Franklin D. Roosevelt*.

stood, as few men did, the importance to the survival of this country of the mission of its Navy—the control of the sea. The Axis powers understood. That is why Germany sought to drive us from the sea by her submarines. That is why Japan tried to destroy our Navy. They knew that if they succeeded they might conquer all the nations of the earth one by one, while the Allies were helpless to reach each other across the oceans of the world.

We won the Battle of the Oceans. By that victory the United Nations were knitted into a fighting whole; and the Axis powers were doomed to defeat everywhere.

That victory we owe to the men and women in the shipyards of the Nation who in the last five and a half years built carriers like this one, and over a hundred thousand other ships. We owe it to the workers in our factories who built 85,000 naval planes such as those which will soon take their places on the flight deck of this ship. We owe it to the fighting men who took those ships across the seas, running them right up to the home shores of the enemy; to the men who flew those planes against the enemy and dropped destruction on his fleet and aircraft and war industries.

We owe it to that great leader whose name this mighty carrier bears, who understood the importance of overwhelming naval power, and who rolled up his sleeves—and got it.

Building this Navy was only a part of a still larger program of war production with which the workers and industries of this nation amazed the whole world, friend and foe alike. It showed the abundant richness of our Nation in natural resources. But it also showed the skill and energy and power and devotion of our free American people.

Having done all this for war, can we do any less for peace? Certainly we should not. The same riches, the same skill and energy of America must now be used so that all our people are better fed, better clothed, better housed; so that they can get work at good wages, adequate care for their health, decent homes for their families, security for their old age, and more of the good things of life.

When we set these goals before ourselves we know that we are carrying on the work and the vision and the aims of the man whose name is on this ship. And no man in our generation, or in

any generation, has done more to enable this Nation to move forward toward those objectives.

Commissioning this ship symbolizes another objective toward which Franklin D. Roosevelt started this Nation and the other nations of the world—the objective of world cooperation and peace. He who helped to formulate the Atlantic Charter and to organize the United Nations, he who pointed the way in cooperation among nations at Casablanca, Cairo, Quebec, Tehran, Dumbarton Oaks, and Yalta, and who planned the conference at San Francisco—he knows as he looks down upon us today that the power of America as expressed in this mighty mass of steel is a power dedicated to the cause of peace.

For fourteen years, ever since Japan first invaded Manchuria, men and women have lived in a world ruled or threatened by force intended for aggression and conquest. Until El Alamein, Stalingrad, and Midway, the powers of evil were stronger than the powers of good—threatening to spread their rule across the world. We will not run that risk again.

This ship is a symbol of our commitment to the United Nations Organization to reach out anywhere in the world and to help the peace-loving nations of the world stop any international gangster. A hundred hours after leaving New York this ship could be off the coast of Africa. In five days she could cross the western Pacific from Pearl Harbor to the Philippines. This vessel alone could put more than a hundred fighting planes over a target.

We all look forward to the day when law rather than force will be the arbiter of international relations. We shall strive to make that day come soon. Until it does come, let us make sure that no possible aggressor is going to be tempted by any weakness on the part of the United States.

These, then, are the two huge tasks before us: realizing for our own people the full life which our resources make possible; and helping to achieve for people everywhere an era of peace. Franklin D. Roosevelt gave his life in search for the fulfillment of these tasks. And now, the American people are determined to carry on after him.

He did not find either of these tasks easy. Neither will we. But we approach them in the spirit of Franklin D. Roosevelt, whose words are inscribed in bronze on this vessel: "We can, we will, we must!"

Need for Continued Alertness

Address by ASSISTANT SECRETARY BRADEN ¹

[Released to the press October 27]

MR. CHAIRMAN, LADIES AND GENTLEMEN: For the privilege of being with you and for the honor of addressing so distinguished a gathering, I find it hard adequately to express my pleasure and my gratitude. Equally difficult is it for me to voice the admiration which I, like every other patriotic American, hold for the United States Navy.

That Navy, because of the inspiration, skill, and valor of its leaders and because of the determination, discipline, and heroism of its men, has cleared the enemy from the seas. That Navy in union with our other armed forces and those of our Allies has won victory over the Axis aggressors, who would have enslaved the world. That Navy, with unhesitating and infinite sacrifice, has defended our fundamental freedoms and the sacred tenet that government shall be with the consent of the governed.

With grateful recognition of our Navy's deeds, we solemnly pray that never again must it endure the horror of modern conflict. With God's help our prayers will be answered in the measure to which each and every American citizen remains alert, ready to defend the rights and dignity of the human individual and instantly to act against would-be aggressors.

It is well thus on Navy Day to recall these things because the Nazis, while defeated on the battle fronts, have not yet been eradicated. They survive in great numbers to spread their malevolent ideologies and underground to egg on their satellite and petty imitators. To this I can testify from personal observation. I have witnessed the suffering of a great nation, who ten years ago—just as we did—would have said with full conviction "It can't happen here", and yet today it has happened there. I have sensed the heaviness of depression which seized a people cruelly abused by a self-styled savior supported by a clique aping its European Nazi prototype.

We read in our morning papers that a "state of siege" has been decreed in this or that country, little realizing, if at all, the terror and deprivation involved in those words. A "state of siege" is the negation of the Bill of Rights, on which our na-

tional existence is based—that very Bill of Rights for the preservation of which we have fought this and other wars. A "state of siege" suspends all representative government, civil liberties, the right of assembly, and freedom of both speech and press. In more concrete terms, a "state of siege" permits swaggering officers to beat any peaceful citizen simply because he refuses to hail the "leader." It permits a hoodlum with brass knuckles to strike the face of a young girl because she cries "long live democracy". It permits arrests without charge. It permits torture. It permits sabre-wielding mounted police to ride down men, women, and children. This and much more is what a "state of siege" means.

As we sincerely feel for a people subjected to such oppression and as we condemn the perpetrators thereof, so must we be as alert as in the blackest days of war to meet the menace latent in the continuation of such conditions. Let us not forget that the European Nazis began by subjugating their own peoples before they attempted to subjugate their neighbors. History must not repeat itself.

One of the tragic aftermaths of great wars has been the rapidity with which victorious nations lose sight of that for which they have struggled and died. So anxious are we to return to the security and felicity of our firesides, our farms, and all our callings, that wars won on the field of combat are too often lost in the early relaxation which follows the last shot. We fell the tree and do not eradicate the underground roots which will grow again. We must resist both the lassitude and the temptation to indulge our selfish interests, which as natural reactions follow and replace the strain and common effort of war.

We must not—we cannot and be secure—compromise our principles. To do so even as an expedient may be fatal, and in any event we would pay the inevitable price of appeasement.

The performance of the American people in this war speaks for itself. May we in peace do as well.

¹ Made at the Navy Day dinner in Washington on Oct. 27, 1945.

Recommendations for Universal Military Training

MESSAGE OF THE PRESIDENT TO THE CONGRESS

[Released to the press by the White House October 23]

MR. SPEAKER—MR. PRESIDENT—AND MEMBERS OF THE CONGRESS OF THE UNITED STATES:

The United States now has a fighting strength greater than at any other time in our history. It is greater than that of any other nation in the world.

We are strong because of many things: our natural resources which we have so diligently developed, our great farms and mines, our factories, shipyards, and industries which we have so energetically created and operated. But above all else, we are strong because of the courage and vigor and skill of a liberty-loving people who are determined that this nation shall remain forever free.

With that strength comes grave responsibility. With it must also come a continuing sense of leadership in the world for justice and peace.

For years to come the success of our efforts for a just and lasting peace will depend upon the strength of those who are determined to maintain the peace. We intend to use all our moral influence and all our physical strength to work for that kind of peace. We can ensure such a peace only so long as we remain strong. We must face the fact that peace must be built upon power, as well as upon good-will and good deeds.

Our determination to remain powerful denotes no lack of faith in the United Nations Organization. On the contrary, with all the might we have, we intend to back our obligations and commitments under the United Nations Charter. Indeed, the sincerity of our intention to support the Organization will be judged partly by our willingness to maintain the power with which to assist other peace-loving nations to enforce its authority. It is only by strength that we can impress the fact upon possible future aggressors that we will tolerate no threat to peace or liberty.

To maintain that power we must act now. The latent strength of our untrained citizenry is no longer sufficient protection. If attack should come again, there would be no time under conditions of modern war to develop that latent strength into the necessary fighting force.

Never again can we count on the luxury of time with which to arm ourselves. In any future war, the heart of the United States would be the enemy's first target. Our geographical security is now gone—gone with the advent of the robot bomb, the rocket, aircraft carriers, and modern airborne armies.

The surest guaranty that no nation will dare again to attack us is to remain strong in the only kind of strength an aggressor can understand—military power.

To preserve the strength of our nation, the alternative before us is clear. We can maintain a large standing army, navy, and air force. Or we can rely upon a comparatively small regular army, navy, and air force, supported by well-trained citizens who in time of emergency could be quickly mobilized.

I recommend the second course—that we depend for our security upon comparatively small professional armed forces, reinforced by a well-trained and effectively organized citizen reserve. The backbone of our military force should be the trained citizen who is first and foremost a civilian, and who becomes a soldier or a sailor only in time of danger—and only when the Congress considers it necessary. This plan is obviously the more practical and economical. It conforms more closely to long-standing American tradition.

In such a system, however, the citizen reserve must be a trained reserve. We can meet the need for a trained reserve in only one way—by universal training.

Modern war is fought by experts—from the atomic scientist in his laboratory to the fighting man with his intricate modern weapons. The day of the minuteman who sprang to the flintlock

hanging on his wall is over. Now it takes many months for men to become skilled in electronics, aeronautics, ballistics, meteorology, and all the other sciences of modern war. If another national emergency should come, there would be no time for this complicated training. Men must be trained in advance.

The sooner we can bring the maximum number of trained men into service, the sooner will be the victory and the less tragic the cost. Universal training is the only means by which we can be prepared right at the start to throw our great energy and our tremendous force into the battle. After two terrible experiences in one generation, we have learned that this is the way—the only way—to save human lives and material resources.

In the present hour of triumph, we must not forget our anguish during the days of Bataan. We must not forget the anxiety of the days of Guadalcanal. In our desire to leave the tragedy of war behind us, we must not make the same mistake that we made after the first World War when we quickly sank back into helplessness.

But the basic reason for universal training is a very simple one—to guarantee the safety and freedom of the United States against any potential aggressor. The other benefits are all by-products—useful indeed, but still by-products. The fundamental need is, and always will be, the national security of the United States and the safety of our homes and our loved ones.

Such a system as I have outlined would provide a democratic and efficient military force. It would be a constant bulwark in support of our ideals of government. It would constitute the backbone of defense against any possible future act of aggression.

It has been suggested in some quarters that there should be no universal training until the shape of the peace is better known, and until the military needs of this country can be estimated and our commitments under the United Nations Organization can be determined. But it is impossible today to foresee the future. It is difficult at any time to know exactly what our responsibilities will require in the way of force. We do know that if we are to have available a force when needed, the time to begin preparing is now.

The need exists today—and must be met today.

If, at some later time, conditions change, then the program can be reexamined and revalued. At

the present time we have the necessary organization, the required camp installations, and the essential equipment and training grounds immediately available for use in a training program. Once we disband and scatter this set-up, it will be much harder and more expensive to reestablish the necessary facilities.

The argument has been made that compulsory training violates traditional American concepts of liberty and democracy, and even that it would endanger our system of government by creating a powerful military caste. The purpose of the program, however, is just the contrary. And it will have just the contrary result. The objective is not to train professional soldiers. It is to train citizens, so that if and when the Congress should declare it necessary for them to become soldiers, they could do so more quickly and more efficiently. A large trained reserve of peace-loving citizens would never go to war or encourage war, if it could be avoided.

Until we are sure that our peace machinery is functioning adequately, we must relentlessly preserve our superiority on land, and sea, and in the air. Until that time, we must also make sure that by planning—and by actual production—we have on hand at all times sufficient weapons of the latest nature and design with which to repel any sudden attack and with which to launch an effective counter-attack.

That is the only way we can be sure—until we are sure that there is another way.

But research, new materials, and new weapons will never, by themselves, be sufficient to withstand a powerful enemy. We must have men trained to use these weapons. As our armed forces become more and more mechanized, and as they use more and more complicated weapons, we must have an ever increasing number of trained men. Technological advances do not eliminate the need for men. They increase the need.

Even the atomic bomb would have been useless to us unless we had developed a strong army, navy, and air force with which to beat off the attacks of our foe and then fight our way to points within striking distance of the heart of the enemy.

Assume that on December 7, 1941, the United States had had a supply of atomic bombs in New Mexico or Tennessee. What could we have done with them?

(Continued on page 699)

Military Government of Austria

DIRECTIVE TO COMMANDER IN CHIEF OF U. S. FORCES OF OCCUPATION REGARDING THE MILITARY GOVERNMENT OF AUSTRIA¹

[Released to the press October 28]

1. *The Purpose and Scope of this Directive:*

a. This directive is issued to you as Commanding General of the United States forces of occupation in Austria. As such you will serve as United States member of the Allied Council of the Allied Commission for Austria and will also be responsible for the administration of military government in the zone or zones assigned to the United States for purposes of occupation and administration. It outlines the basic policies which will guide you in those two capacities after the termination of the combined command in Austria. Supplemental directives will be issued to you by the Joint Chiefs of Staff as may be required.

b. As a member of the Allied Council you will urge the adoption by the other occupying powers of the principles and policies set forth in this directive and, pending Allied Council agreement, you will follow them in your zone. It is anticipated that substantially similar directives will be issued to the Commanders in Chief of the United Kingdom, the Union of Soviet Socialist Republics, and French forces of occupation.

c. In the event that recognition is given by the four governments to a provisional national government of Austria, such government should be delegated authority in appropriate matters to conduct public affairs in accordance with the principles set forth in this directive or agreed upon by the occupying powers. Such delegation, however, shall be subject to the authority of the occupying powers and to their responsibility to see that their policies are in fact carried out.

d. Any provisional national government of Austria which is not recognized by all of the four Governments of the occupying powers shall not be treated by you as possessing any authority. Only individuals who recognize your supreme authority in your zone will be utilized by you in administration.

PART I

General and Political

2. *The Basis of Military Government:*

a. The rights, power and status of the military government in Austria prior to the unconditional surrender and total defeat of Germany, were based upon the military occupation of Austria and the decision of the occupying powers to reestablish an independent Austrian state. Thereafter the rights, powers and status are based, in addition, upon such surrender or defeat. The Text of the Instrument of Unconditional Surrender of Germany published as a separate document has been made available to you.² You will assure that the policies set forth in that Instrument are carried out in your zone of occupation insofar as they are applicable in Austria even though the defeat of Germany is not followed by a formal signing of the Instrument.

b. Subject to the provisions of paragraph 3 below, you are, by virtue of your position, clothed with supreme legislative, executive, and judicial authority in the areas occupied by forces under your command. This authority will be broadly construed and includes authority to take all measures deemed by you necessary, appropriate or desirable in relation to military exigencies and the objectives set forth in this and other directives.

c. You will issue a proclamation continuing in force such proclamations, orders and instructions as may have heretofore been issued by Allied Commanders in your zone, subject to such changes as you may determine. Authorizations of action by the Supreme Allied Commander, Mediterranean,

¹ Prepared by the State-War-Navy Coordinating Committee and transmitted to General Mark Clark by the Joint Chiefs of Staff on June 27, 1945. For the directive regarding military government of Germany, see BULLETIN of Oct. 21, 1945, p. 596.

² BULLETIN of July 22, 1945, p. 105.

or by the Supreme Commander, Allied Expeditionary Force, may be considered as applicable to you unless inconsistent with this or other directives.

3. *The Allied Council and Zones of Occupation:*

a. The four Commanders in Chief, acting jointly, will constitute the Allied Council which will exercise supreme authority in Austria. The United States proposal for an agreement on the organization of the Control Machinery in Austria published as a separate document has been made available to you. When approved by the occupying powers, the text of the agreement on Control Machinery in Austria will be furnished you. For purposes of administration of military government, Austria will be divided into four zones of occupation. When the occupying powers have agreed upon the zones of occupation in Austria, the text of the protocol in that regard will be furnished you.

b. The authority of the Allied Council to formulate policy and procedures and administrative relationships with respect to matters affecting Austria as a whole will be paramount throughout Austria. This authority shall be broadly construed to the end that, through maximum uniformity of policy and procedures throughout Austria, the establishment of an independent Austrian Government may be accelerated. In your capacity as a member of the Allied Council, you will seek maximum agreement with respect to policy and maximum uniformity of action by the Commanders in Chief in their respective zones of occupation. You will carry out and support in your zone the policies agreed upon in the Allied Council. In the absence of such agreed policies you will act in accordance with this and other directives of the Joint Chiefs of Staff.

c. The Allied Council should cooperate with the Control Council in Germany in effecting the severance of all political and administrative connections between Austria and Germany, and the elimination of German economic and financial influences in Austria. You will in every way possible assist the accomplishment of this purpose.

d. The Allied Council should adopt procedures to effectuate, and you will facilitate in your zone, the equitable distribution of essential commodities between the zones. In the absence of a conflicting policy of the Allied Council, you may deal directly

with one or more zone commanders on matters of special concern to such zones.

e. Pending the formulation in the Allied Council of uniform policies and procedures with respect to travel and movement of persons to and from Austria, no persons shall be permitted to cross the Austrian frontier in your zone except for specific purposes approved by you.

f. The military government personnel in your zone, including those dealing with regional and local branches of the departments of any central Austrian administrative machinery, shall be selected by your authority except that liaison officers may be furnished by the Commanders of the other three zones. The respective Commanders in Chief shall have exclusive jurisdiction throughout the whole of Austria over the members of the armed forces under their command and over the civilians who accompany them.

4. *Basic Objectives of Military Government in Austria:*

a. You will be chiefly concerned in the initial stages of military government with the elimination of German domination and Nazi influences. Consistently with this purpose, you will be guided at every step by the necessity to ensure the reconstruction of Austria as a free, independent and democratic state. It will be essential therefore that every measure be undertaken from the early stages of occupation with this objective in mind.

b. The Allied Council should, as soon as it is established, proclaim the complete political and administrative separation of Austria from Germany, and the intention of the occupying powers to pave the way for the reestablishment of Austria as an independent democratic state. You will make it clear to the Austrian people that military occupation of Austria is intended principally (1) to aid Allied military operations and the strict enforcement of the applicable provisions of the German unconditional surrender instrument in Austria; (2) to eliminate Nazism, Pan-Germanism, militarism, and other forces opposed to the democratic reconstitution of Austria; (3) to cooperate with the Control Council for Germany in the application and enforcement of measures designed to prevent the recurrence of German aggression; (4) to establish Allied Control over the use and disposition of German property in Austria; (5) to effect the complete political and administrative separation of Austria from Ger-

many and free Austria from Nazi and German economic and financial influences; (6) to facilitate the development of a sound Austrian economy devoted to peaceful pursuits and not vitally dependent upon German supplies, markets and technical and financial assistance; and (7) to foster the restoration of local self-government and the establishment of an Austrian central government freely elected by the Austrian people themselves. Other objectives of the occupation will be to apprehend war criminals, to care for and repatriate displaced persons and prisoners-of-war who are members of the armed forces of the United Nations, and to carry out approved programs of reparation and restitution insofar as these are applicable to Austria.

c. You will assure that there is no fraternization by your troops with any German elements remaining in Austria. While in the initial period of occupation the relationship of the troops to the Austrian civil population will be distant and aloof but courteous, a progressively more friendly relationship may be permitted as experience justifies.

5. Denazification:

a. A Proclamation dissolving the Nazi Party, its formations, affiliated associations and supervised organizations, and all Nazi public institutions which were set up as instruments of Party domination, and prohibiting their revival in any form, should be promulgated by the Allied Council. You will assure the prompt effectuation of that policy in your zone and will make every effort to prevent the reconstitution of any such organization in underground, disguised or secret form. Responsibility for continuing desirable non-political social services of dissolved Party Organizations may be transferred by the Governing Body to appropriate central agencies and by you to appropriate local agencies.

b. All laws which extended the political structure of National Socialism to Austria or otherwise brought about the destruction of the Austrian state or which established discriminations on grounds of race, nationality, creed, or political opinion should be abrogated by the Allied Council. You will render them inoperative in your zone.

c. All members of the Nazi Party who were German nationals prior to March 13, 1938, Germans who entered Austria after that date, and

other Germans directly connected with the Nazi exploitation of Austria will immediately be removed from government positions and all other categories of employment listed below, and will be expelled from Austria in accordance with paragraph 21. All Austrian members of the Nazi Party who have been more than nominal participants in its activities, all active supporters of Nazism and other persons hostile to Allied purposes will be removed and excluded from public office and from positions of importance in quasi-public and private enterprises such as (1) civic, economic, and labor organizations, (2) corporations and other organizations in which the German Government or subdivisions have a major financial interest, (3) industry, commerce, agriculture, and finance, (4) education, and (5) the press, publishing houses and other agencies disseminating news and propaganda. Persons are to be treated as more than nominal participants in Party activities and as active supporters of Nazism when they have (1) held office or otherwise been active at any level from local to national in the Party and its subordinate organizations, (2) authorized or participated affirmatively in any Nazi crimes, racial persecutions or discriminations, (3) been avowed believers in Nazi doctrines, or (4) voluntarily given substantial moral or material support or political assistance of any kind to the Nazi Party or Nazi officials and leaders. No such persons shall be retained in any of the categories of employment listed above because of administrative necessity, convenience or expediency.

d. Property, real and personal, owned or controlled by the Nazi Party, its formations, affiliated associations and supervised organizations, and by all persons subject to arrest under the provisions of paragraph 7 below, and found within your zone will be taken under your control pending a decision by the Allied Council or higher authority as to its eventual disposition.

e. All archives, monuments and museums of Nazi inception, or which are devoted to the perpetuation of militarism, will be taken under your control and their properties held pending decision as to their disposition by the Allied Council.

f. You will make special efforts to preserve from destruction and take under your control records, plans, books, documents, papers, files, and scientific, industrial and other information and data belonging to or controlled by the following:

(1) The central German Government and its subdivisions, the offices of the Reichsstatthalter, the former Austrian state and its subdivisions, German and Austrian military organizations, organizations engaged in military research, and such other governmental agencies as may be deemed advisable;

(2) The Nazi Party, its formations, affiliated associations and supervised organizations;

(3) All police organizations, including security and political police;

(4) Important economic organizations and industrial establishments including those controlled by the Nazi Party or its personnel;

(5) Institutes and special bureaus devoting themselves to racial, political, militaristic or similar research or propaganda.

6. Elimination of pre-Nazi Fascists Influences:

a. You will remove and exclude from the positions enumerated in sub-paragraph 5 *c* above all persons who took an active and prominent part in the undemocratic measures of the pre-Nazi Fascist regime or in any of its para-military organizations such as the Heimwehr and the Ostmaerkische Sturmsharen.

b. You will prevent the revival of any organization seeking to restore the pre-Nazi Fascist regime.

7. Suspected War Criminals and Security Arrests:

a. You will search out, arrest, and hold, pending receipt by you of further instructions as to their disposition, Adolf Hitler, his chief Nazi associates, other war criminals, and all persons who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes.

b. All persons who if permitted to remain at large would endanger the accomplishment of your objectives will also be arrested and held in custody until their disposition is otherwise determined by an appropriate semi-judicial body to be established by you.

[NOTE: There follows at this point in the directive a detailed list of categories of Nazi war criminals and others who are to be arrested. Some of these have not yet been found. It is considered that to publish the categories at this time would put the individuals concerned on notice and would interfere with their apprehension and punishment, where appropriate. The list of categories

is, therefore, withheld from publication for the present.]

If in the light of conditions which you encounter in Austria you believe that it is not immediately feasible to subject certain persons within these categories to this treatment, you should report your reasons and recommendations to your Government through the Joint Chiefs of Staff. If you believe it desirable, you may postpone the arrest of those whose cases you have reported, pending a decision communicated to you by the Joint Chiefs of Staff. In no event shall any differentiation be made between or special consideration be accorded to person arrested, either as to manner of arrest, or conditions of detention, upon the basis of wealth or political, industrial, or other rank or position. In your discretion you may make such exception as you deem advisable for intelligence or other military reasons.

8. Demilitarization:

a. In your zone you will assure that all units of the German armed forces including para-military organizations are dissolved as such and that their personnel are promptly disarmed and controlled in accordance with the policies and procedures set forth in the Instrument of Unconditional Surrender of Germany or in other directives which may be issued to you. Prior to their final disposition you will arrest and hold all military personnel who are included under the provisions of paragraph 7. Subject to military considerations and priority to be accorded repatriation of United Nations nationals, the Allied Council should cooperate with the Control Council for Germany in arranging the early repatriation or other disposition of German members of the German armed forces, including para-military organizations, found within Austria. The two Allied agencies should likewise concert the prompt return to Austria of Austrian members of the German armed forces found within Germany, except those held as active Nazis, suspected war criminals, or for other reasons.

b. The Allied Council should proclaim, and in your zone you will effectuate, the total dissolution of all military and para-military organizations together with all associations which might serve to keep alive militarism in Austria.

c. All persons who have actively supported organizations promoting militarism or who have been active proponents of militaristic doctrines

will be removed and excluded from any of the categories of employment listed in subparagraph 5 c.

d. You will seize or destroy all arms, ammunition and implements of war, including all aircraft, military and civil, and stop the production thereof.

9. *Police:*

With the exception of the Kriminalpolizei (Criminal Police), all elements of the Sicherheitspolizei (Security Police), e.g., Geheime Staatspolizei (Gestapo), and the Sicherheitsdienst der S.S. will be abolished. Criminal and ordinary police will be purged of Nazi personnel and utilized under the control and supervision of the military government.

10. *Administration of Justice:*

a. All extraordinary courts, including the Volksgerichtshof (People's Court) and the Sondergerichte (Special Courts), and all courts and tribunals of the Nazi Party and of its formations, affiliated associations and supervised organizations will be abolished immediately.

b. All ordinary criminal, civil and administrative courts, except those previously re-established by Allied authority, will be closed. After the elimination of all Nazi or other objectionable features and personnel you will permit those which are to exercise jurisdiction within the boundaries of your zone to resume operations under such regulations, supervision and control as you may consider appropriate. Courts which are to exercise jurisdiction over territory extending beyond the boundaries of your zone will be reopened only with the express authorization of the Allied Council and under its regulation, supervision and control. The power to review and veto decisions of German and Austrian courts shall be included within the power of supervision and control.

11. *Political Prisoners:*

Subject to military security and to the interests of the individuals concerned, you will release all persons found within your zone who have been detained or placed in custody on grounds of race, nationality, creed or political opinion and treat them as displaced persons. You should make provision for the review of convictions of alleged criminal offenses about which there may be substantial suspicion of racial, religious or political persecution, and in which sentences of imprison-

ment have not been fully served by persons imprisoned within your zone.

12. *Reconstitution of an Administrative System:*

a. As soon as Nazi and Fascist influences have been eliminated from public offices in Austria, the reconstitution of Austrian administrative agencies shall be carried out in such a way as not to prejudice the political and constitutional future of Austria. The Allied Council should be responsible for the early establishment of such nationwide administrative and judicial machinery as may be required to facilitate the uniform execution of its policy throughout Austria, to ensure freedom of transit and communication to and between the separate zones of occupation, and to lay the foundation for the restoration of an Austrian national administrative system. Administrative officials with powers extending throughout Austria should be appointed only by or under the authority of the Allied Council.

b. The formal abrogation of the Anschluss (Act of March 13, 1938) will not be considered as re-establishing the legal and constitutional system of Austria as it existed prior to that event. Such portions of earlier Austrian legislation or of Reich legislation relating to Austria may be retained or restored to force as is deemed appropriate for the purposes of military government and the reconstitution of Austria on a democratic basis. In so far as it may prove desirable to utilize constitutional laws for Austrian administration, suitable provisions of the Austrian Constitution of 1920, as amended in 1925 and 1929, should be applied.

c. You will assure the severance of all connections between regional (Gau) and local agencies on the one hand and Reich administrative agencies on the other, and will reconstitute Austrian Provincial (Land) and local administration at the earliest possible moment. You may utilize such agencies of the present regional and local administrations as may be deemed useful.

13. *Restoration of Regional and Local Self-Government:*

As a member of the Allied Council, you will urge the restoration of regional and local self-government throughout Austria at the earliest possible moment. In the absence of agreement, you will facilitate the holding of elections to local and regional public office within your zone. If prior to or during occupation, local and regional popular councils or similar organs appear, they may

be granted temporary recognition pending approval by the Allied Council and be utilized in administration in the event that they possess popular support and are free from Nazi or Fascist sympathizers and affiliations.

14. Establishment of Independent Austrian Government:

The Allied Council should, and in your zone you will, make it clear to the Austrian people that the Allied Powers do not intend through military government to appoint or establish a national government for Austria but will aid the Austrian people themselves to prepare for the election of a national assembly by democratic means. The Austrian people will be free to determine their own form of government provided the new regime be democratic in character and assume appropriate internal and international responsibilities and obligations.

15. Political Activity and Civil Rights:

a. At the earliest possible moment you will permit such political activity and organization by democratic groups as neither threatens military security nor presents substantial danger of public disorder nor engenders suspicion and disunity among the United Nations.

b. You will prohibit the propagation in any form of Nazi, Fascists, militaristic, and pan-German doctrines.

c. To the extent that military interests are not prejudiced and subject to the provisions of the two preceding subparagraphs and paragraph 16, you will permit freedom of speech, assembly, press, association, and religious worship.

d. For purposes of military government you may consider as Austrian citizens all persons who held Austrian citizenship on or before March 13, 1938, or who would have automatically acquired citizenship by operation of the law of Austria in force on March 13, 1938. The acts of July 30, 1925 and August 16, 1933 should not be considered as depriving of citizenship Austrians who have entered the service of foreign states or who have taken up arms against the Reich since 1938. German laws purporting to affect Austrian citizenship should be ignored.

16. Public relations and Control of Public Information:

As a member of the Allied Council you will endeavor to obtain agreement for uniform or coordinated policies with respect to (a) control of pub-

lic information media in Austria, (b) accrediting of foreign correspondents, (c) press censorship, and (d) issuance of official news communiqués dealing with matters within the jurisdiction of the Allied Council. United States policies in these matters will be sent to you separately and you will be guided by these in your negotiations in the Allied Council.

17. Education:

a. You will initially close all schools and universities except those previously re-established by Allied authority. The closure of Nazi educational institutions, such as Adolf Hitler Schulen, Napolas and Ordensburgen, and of Nazi organizations within other educational institutions, will be permanent.

b. A coordinated system of control over Austrian education and an affirmative program of re-orientation will be established designed completely to eliminate Nazi, Fascists and militaristic doctrines and to encourage the development of democratic ideas.

c. You will permit the reopening of elementary (Volksschulen), middle (Hauptschulen), and vocational (Berufsschulen) schools at the earliest possible date after Nazi and other objectionable personnel has been eliminated. Textbooks and curricula which are not free of Nazi, Fascists and militaristic doctrines shall not be used. The Allied Council should assure that programs are devised for the early reopening of secondary schools, universities and other institutions of higher learning. After Nazi and other objectionable personnel and features have been eliminated and pending the formulation of such programs by the Allied Council, you may formulate and put into effect an interim program within your zone and, in any case, you will encourage the reopening of such institutions and departments which offer training which you consider immediately essential or useful in the administration of military government and the purposes of the occupation.

d. It is not intended that the military government will intervene in questions concerning denominational control of Austrian schools, or in religious instruction in Austrian schools, except in so far as may be necessary to ensure that religious instruction and administration of such schools conform to such Allied regulations as are or may be established pertaining to purging of personnel and curricula.

18. Religious Affairs:

a. The Allied Council should leave to the Austrian churchmen of the respective faiths the revision of the constitutions, rituals or internal relationships of purely ecclesiastical bodies.

b. You will protect freedom of religious belief and worship.

c. You will refrain from intervening in matters concerning religious instruction in schools, the establishment or continuation of denominational schools and the re-establishment of ecclesiastical control of any publicly supported schools.

d. You will take necessary measures to protect churches, shrines, church schools, and other ecclesiastical property from damage and from any treatment which lacks respect for their religious character.

e. You may permit religious bodies to conduct appropriate youth, sport, and welfare activities and to receive contributions for such purposes.

f. Subject to the provisions of paragraph 15, you will permit the establishment or revival of religious periodicals and the publication of other religious literature.

19. Treatment of Displaced Persons and Refugees in Austria:

a. Subject to any international agreements and to the agreed policies of the Allied Council, you will undertake the repatriation, return to former residence or resettlement of displaced persons who are (1) nationals of the United Nations and of neutral states, (2) stateless persons, (3) nationals of enemy or former enemy countries who have been persecuted by the enemy for reasons of race, nationality, creed or political opinion, (4) nationals of Italy, as rapidly as military considerations and arrangements with their respective governments permit. Due consideration will be given to the wishes of the individuals involved, and preference will be accorded to nationals of the United Nations and persons freed from concentration camps or other places of detention.

b. You will establish or maintain centers for the assembly and repatriation, resettlement or return of the foregoing displaced persons. Subject to the general control and responsibility of military government, existing Austrian agencies will be required to maintain essential supply and other services for them, including adequate food, shelter, clothing and medical care.

c. Subject to your general control, you will hold existing Austrian agencies responsible for the care and disposition of refugees and those displaced persons who are nationals of Germany or former enemy countries not otherwise provided herein. You will facilitate their repatriation or return, subject to whatever control you may deem necessary, as rapidly as military considerations and appropriate arrangements with authorities in their respective home countries permit.

d. Subject to agreed policies of the Allied Council, you will determine the extent to which UNRRA, the Inter-Governmental Committee on Refugees, or other civilian agencies will participate in handling displaced persons and refugees.

e. You will accord liaison on matters connected with displaced persons to representatives of each of the other Occupying Powers accredited therefor by their respective Commander in Chief and to representatives of any of the United Nations and neutral states and of Italy accredited therefor by the Allied Council or other competent authority. You will arrange for such representatives to have access to displaced persons who are nationals of their countries and are authorized to permit them to use the facilities of their governments for purposes of repatriation.

f. The term "displaced persons" includes (1) non-Austrian civilian nationals who have been obliged to leave their own countries or to remain in Austria by reason of the war, (2) stateless persons, and (3) persons who have been persecuted by the enemy for reasons of race, nationality, creed or political opinion. The term "refugees" includes Austrian civilian nationals within Austria who are temporarily homeless because of military operations, or are residing at some distance from their homes for reasons related to the war.

20. Return of Austrian Civilians to Austria:

In accordance with military considerations and appropriate arrangements with authorities in sending countries, you will cooperate in rapid repatriation of Austrian civilian nationals outside Austria, exclusive of active Nazis and persons suspected of having committed war crimes or held for other reasons.

21. The Removal of German Officials and Civilians from Austria:

a. All German officials, members of the Nazi Party who were German nationals prior to March

13, 1938, Germans who entered Austria after that date and other Germans directly connected with the Nazi exploitation of Austria, except those whom it may be desirable to hold for security or other reasons, should be expelled from Austria. The Allied Council should consult with the Control Council in Germany regarding the removal to Germany of such persons. Removal will be effected at the earliest time consistent with the availability of transport facilities and with the prospect of orderly absorption into Germany.

b. Subject to instructions issued by the Allied Council in accordance with the provisions of the subparagraph *a* above, you will in your zone take all practicable measures to facilitate and expedite the removal to Germany of all German officials and of German citizens to be repatriated.

22. Diplomatic and Consular Officials and Properties:

All diplomatic and consular officials of countries with which any one of the United Nations has been at war since December 31, 1937 will be taken into protective custody and held for further disposition. The diplomatic and consular property and records belonging to such countries or governments and to their official personnel will be seized and secured if not found in the custody of a protecting power.

23. Arts and Archives:

Subject to the provisions of paragraph 5 above, you will make all reasonable efforts to preserve historical archives, museums, libraries and works of art.

PART II

Economic

General Economic Provisions

24. The Allied Council should ensure the direction of the Austrian economy in such a way as to carry out the objectives set forth in paragraph 4 *b* of this directive and should establish centralized control and administration of the Austrian economy to the extent necessary to achieve the maximum utilization of Austrian resources and equitable distribution of essential goods and services and to obtain uniformity of policies and operations throughout Austria.

You will urge the establishment of such centralized control and administration and, pending agreement in the Allied Council, you will take

such measures in your own zone as are necessary to carry out the provisions of this directive.

25. To the maximum extent possible without jeopardizing the successful execution of measures required to implement the objectives outlined in paragraph 4 *b* of this directive, Austrian authorities and agencies should be used, subject to such supervision as is necessary to ensure that they carry out their task. For this purpose appropriate authority should be given to Austrian agencies and administrative services, subject to strict observance of the provisions of this directive regarding denazification and dissolution or prohibition of Nazi and Fascist organizations, institutions, principles, features and practices.

26. You will preserve all significant records pertaining to important economic, financial and research organizations and activities. You will institute or assure the maintenance of such statistical records and reports as may be necessary to carry out the objectives of this directive.

27. You will initiate appropriate surveys which may assist you in achieving the objectives of the occupation. In particular, you will promptly undertake surveys of supplies, equipment and resources in your zone. You will endeavor to obtain prompt agreement in the Allied Council to similar surveys in the other zones of occupation and urge appropriate steps to coordinate the methods and results of these and other future surveys undertaken in the various zones. You will keep the Allied Council and your government currently apprised of the information obtained by means of intermediate reports or otherwise.

Responsibility for Supplies from U.S. Military Sources

28. Imports of supplies from U.S. Military supply sources, for which you will assume responsibility, will be limited to the basic essentials necessary in your zone (a) to avoid disease and unrest which might endanger the occupying forces and (b) for the care of displaced persons. Imports will be undertaken only after maximum utilization of indigenous supplies.

Agriculture, Industry and Internal Commerce

29. You will make maximum use of supplies and resources available within Austria and you will require the Austrians to use all means at their disposal to maximize the production of foodstuffs and other essential goods and to establish as rapidly as possible effective rationing and other ma-

chinery for the distribution thereof. You will urge upon the Allied Council that uniform ration scales be applied throughout Austria.

30. The Allied Council should assure to the maximum possible extent the free movement and equitable distribution of goods and services throughout Austria.

31. The Allied Council should facilitate emergency repair and construction for the minimum housing needs of the civil population and restoration of transportation and communications services and public utilities essential to the objectives outlined in paragraph 4 *b*.

32. In order to supplement the measures taken by the Control Council in Germany for the industrial disarmament of Germany and pending final decision as to the steps necessary in Austria to eliminate Germany's war potential, you should, in cooperation with the other zone commanders, take steps to

a. prevent the production, acquisition and development of all arms, ammunition and implements of war, including all types of aircraft, and all parts, components and ingredients specially designed or produced for incorporation therein;

b. seize and safeguard, pending instructions as to disposal, all facilities which are specially designed or adapted to the production of the items mentioned in *a* and cannot be converted to non-military production, using in such conversion only materials and equipment readily available and not emanating from Germany;

c. take an inventory of all German-owned plant and equipment in Austria, and all plant and equipment regardless of ownership erected or expanded in Austria subsequent to Anschluss, in the following industries: iron mining; steel and ferro-alloys; armaments (including aircraft); machinery (including automotive vehicles, agricultural machinery, locomotives and rolling stock, bearings and other special components, electrical machinery, and general industrial equipment); electronic equipment; electric power; non-ferrous metals, including light metals; rubber and oil, including synthetic rubber and oil; wood pulp; synthetic fibers; instruments; optical glass; chemicals (including pharmaceuticals and plastics) and photographic equipment; in order that the Allied Council may determine what portion of it is redundant to the development of a sound peacetime Austrian economy and make recommendations to the gov-

ernments of the occupying powers regarding the treatment of these industries;

d. prevent large-scale exportation of light metals pending subsequent instructions on the policy to be followed regarding the Austrian light metals industry;

e. prevent the construction of plant capacity for the production of synthetic oil and rubber; and establish procedures, in consultation with the Control Council for Germany, for reviewing any projected construction of new or expanded capacity for materials the production of which is prohibited or limited in Germany as a measure of industrial disarmament, in order to ensure that such expansion is not for the purpose of evading controls in Germany;

f. close initially all laboratories, research institutions and similar technical organizations except those considered necessary for the protection of public health and safety, and provide for the maintenance and security of physical facilities where deemed necessary and for the detention of such personnel as are of interest to technological and counter-intelligence investigations. After the provisions of paragraphs 5, 6, 7 and 8 (*c*) have been applied, the reopening of laboratories, research institutions and similar organizations should be permitted under license and periodic supervision, in accordance with policies which will be communicated to you.

33. Without prejudice to the possible eventual transfer of equipment or production on reparation account in accordance with any Allied agreements which may be reached, the Allied Council should facilitate the conversion of industrial facilities to non-military production. In such conversion it will be your policy to give priority to the production of essential goods and equipment in short supply.

34. The Allied Council should assure that all semi-official or quasi-public business and trade organizations of an authoritarian character are abolished and that any organizations of commerce, industry, agriculture and handicrafts which the Austrians may wish to establish are based on democratic principles.

35. The Allied Council should adopt a policy prohibiting cartels or other private business arrangements and cartel-like organizations including those of public or quasi-public character, such as the Wirtschaftsgruppen, which provide for the

regulation of marketing conditions, including production, prices, exclusive exchange of technical information and processes, and allocation of sales territories. Such necessary public functions as have been discharged by these organizations should be absorbed as rapidly as possible by approved public agencies. Pending agreement in the Allied Council, you should take no action in your own zone with regard to this paragraph.

36. The Allied Council should adopt policies designed to prevent or restrain inflation of a character or dimension which would endanger accomplishment of the objectives of the occupation. The Allied Council in particular, should direct and empower Austrian authorities to maintain or establish controls over prices and wages and to take the fiscal and financial measures necessary to this end.

Labor, Health and Social Insurance

37. The Allied Council should permit the self-organization of employees along democratic lines, subject to such safeguards as may be necessary to prevent the perpetuation or revival of Nazi, Fascist or militarist influence under any guise or the continuation of any group hostile to the objectives and operations of the occupying forces. The Allied Council should permit free collective bargaining between employees and employers regarding wages, hours, and working conditions and the establishment of machinery for the settlement of industrial disputes. Collective bargaining shall be within the framework of such wage, hour and other controls as may be instituted or revived.

38. The Allied Council should permit the retention or reestablishment of health services and facilities and non-discriminatory systems of social insurance and poor relief.

Reparation and Restitution

39. As a member of the Allied Council and as zone commander you will ensure that the programs of reparation and restitution embodied in Allied agreements are carried out in so far as they are applicable in Austria. The Allied Council should cooperate with the Control Council in Germany for this purpose. You should urge the Allied Council to an agreement that, until appropriate Allied authorities formulate reparation and restitution program for application in Austria,

a. no removals should be permitted on reparation account; and

b. restitution to other countries should be confined to identifiable looted works of art, books, archives and other cultural property.

Foreign Trade

40. The Allied Council should take prompt steps to re-establish Austrian customs autonomy subject to the provisions of paragraph 51 and establish centralized control over all trade in goods and services with foreign countries.

41. In the control of foreign trade the objectives of the Allied Council should be (a) to obtain as much as possible of Austria's essential imports through regular trade; (b) encourage the development by Austrians as rapidly as possible of foreign markets and sources of supply; and (c) to promote the orientation of Austrian trade away from Germany.

The Allied Council should seek to obtain from sources other than military supply sources any imports essential to the achievement of the objectives set forth in this directive. Arrangements may be made with appropriate authorities in Germany for the importation of essential supplies from Germany, whenever in your judgment such supplies cannot be readily obtained from other sources.

The Allied Council should favor the conclusion of such arrangements for the exchange of Austrian goods and services with those of foreign countries including the development of entrepot trade, as will aid in the revival of the Austrian economy on a sound basis and will not prejudice the eventual development of trade on a multilateral basis.

The Allied Council in cooperation with the Austrian authorities, should make a survey of Austrian foreign exchange resources and of the possibilities for foreign markets and sources of supply for Austrian industry and trade to serve as the basis of a program for the development of a sound economy. You will communicate to your government through the Joint Chiefs of Staff the results of such a survey, together with such recommendations as you may deem appropriate.

42. The Allied Council should adopt a policy which would forbid participation of Austrian firms in international cartels or other restrictive contracts and arrangements, and should order the prompt termination of all existing Austrian par-

ticipation in such cartels, contracts and arrangements. Pending agreement in the Allied Council, you should take no action in your own zone with regard to this paragraph.

PART III

Financial

General Provisions

43. The Allied Council should adopt, for application throughout Austria, uniform financial measures which are necessary to the accomplishment of the objectives stated in paragraph 4 (b) of this directive and which are in conformity with the principles and policies set forth below. You will urge the establishment of centralized administration of such measures to the extent necessary to achieve these objectives and, pending agreement in the Allied Council, you will adopt such necessary measures in your own zone as are in conformity with the provisions of this directive.

44. In the administration of financial matters you will follow the principles set forth in paragraph 25 of this directive.

45. You will maintain such accounts and records as may be necessary to reflect the financial operations of the military government in your zone, and you will provide the Allied Council with such information as it may require, including information in connection with the use of currency by your forces, any governmental settlements, occupation costs, and other expenditures arising out of operations or activities involving participation of your forces.

46. You will take measures to safeguard books and records of all public and private banks and other financial institutions.

47. Subject to any agreed policies of the Allied Council, you are authorized to take the following steps:

a. to prohibit, or to prescribe regulations regarding transfers or other dealings in private or public securities or real estate or other property;

b. to close banks, insurance companies and other financial institutions for a period long enough for you to introduce satisfactory control, to ascertain their cash position, to apply the provisions of paragraphs 5, 6, 7 and 8 (c) of this directive, and to issue instructions for the determination of accounts and assets to be blocked under paragraph 55 below;

c. to close stock and commodity exchanges and similar institutions for such periods as you deem appropriate and apply the provisions of paragraphs 5, 6, 7 and 8 (c) of this directive;

d. to establish a general or limited moratorium, or moratoria, to the extent necessary to carry out the objectives stated in this directive. In particular, it may prove desirable to prevent foreclosures of mortgages and the exercise of similar remedies by creditors against individuals and small business enterprises;

e. to issue regulations prescribing the purposes for which credit may be extended and the terms and conditions governing the extension of credit;

f. to put into effect such further financial measures as you deem necessary to accomplish the purposes stated in this directive.

48. The Allied Council should designate a suitable bank, preferably the former Vienna Branch of the Reichsbank, to perform under its direction central banking functions. Simultaneously, all connections between such designated bank and institutions or persons in Germany should be severed in accordance with paragraph 57 of this directive. When satisfied that this bank is under adequate control, the Allied Council may, by ensuring that credits are made available only in schillings through the zone commanders or authorized issuing banks or agencies, place such bank in a position to finance other banks or other financial institutions for the conduct of approved business.

Pending the designation of such a bank by the Allied Council, you may designate a bank in your zone to perform similar functions under your direct control and supervision and subject to the conditions specified above.

In an emergency you are also authorized to make direct advances, in schillings only, to other financial institutions.

Currency

49. The Allied Council should regulate and control the issue and volume of currency in Austria in accordance with the following provisions:

a. United States forces and other Allied forces within Austria will use only Allied military schillings for pay of troops and other military requirements. Allied military schillings will be declared legal tender in Austria. As long as Reichsmarks are legal tender in Austria, Allied military schil-

lings will circulate in Austria interchangeably with Reichsmarks at a rate of one Allied military schilling for one Reichsmark. Reichskreditkassenscheine and other military currency issued by the Germans will not be legal tender in Austria;

b. without authorization by the Allied Council, no Austrian governmental or private banks or agencies will be permitted to issue banknotes or currency;

c. appropriate Austrian authorities should, to the maximum extent possible, be required by the Allied Council to make funds available free of cost in amounts sufficient to meet all expenses of the forces of occupation, including the cost of Allied military government, the pay of Allied military personnel, and to the extent that compensation is made therefor the cost of such private property as may be requisitioned, seized, or otherwise acquired by Allied authorities for reparation or restitution purposes;

d. as soon as administratively practicable, a general conversion into Allied Military schillings of the Reichsmark and Rentenmark currency circulated in Austria should be undertaken by the Allied Council or by you in coordination with the other zone commanders.

You will receive separate instructions relative to the currency which you will use in the event that for any reason adequate supplies of Allied Military schillings are not available.

You will not announce or establish, until receipt of further instructions, any general rate of exchange between the Allied Military schilling on the one hand and the U.S. dollar and other currencies on the other. However, the rate of exchange to be used exclusively for pay of troops and military accounting purposes will be ten Allied Military schillings for one U.S. dollar.

Public Finance

50. Subject to any agreed policies of the Allied Council, you will take such action as may be necessary to insure that all laws and practices relating to taxation or other fields of finance, which discriminate for or against any persons because of race, nationality, creed or political opinion, will be amended, suspended or abrogated to the extent necessary to eliminate such discrimination. Consistent with the foregoing purpose, the Austrian authorities should be required to take such action

in the field of taxation as is necessary to assure an adequate inflow of revenues. Any public revenue in Austria previously collected by the German government may be used for approved public expenditures.

51. Pending the determination of the long-range Austrian customs and trade policy, the Austrian authorities may impose duties on imports for revenue purposes. Duties for other purposes should only be imposed with the approval of the Allied Council. No duties will be imposed on imports for military account or for the account of such relief agencies as may be designated.

52. Subject to any agreed policies of the Allied Council, you will prohibit:

a. the payment to ex-soldiers of all military pensions, or other emoluments or benefits, except compensation for physical disability limiting the recipient's ability to work at rates which are no higher than the lowest of those for comparable physical disability arising from non-military causes;

b. the payment of all public or private pensions or other emoluments or benefits granted or conferred

(1) by reason of membership in or services to the former Nazi party, its formations, affiliated associations or supervised organizations or any pre-Nazi Fascist organizations, such as the Heimwehr and the Ostmärkische Sturnscharen;

(2) to any person who has been removed from an office or position in accordance with paragraphs 5, 6 and 8 (*c*); and

(3) to any person arrested and detained in accordance with paragraph 7 during the term of his arrest, or permanently, in case of his subsequent conviction.

53. The Allied Council should exercise general control and supervision over the expenditures of public funds to the extent necessary to achieve the purposes of the occupation.

54. The Allied Council should promptly initiate a survey for the purpose of ascertaining (a) the amount of the German government debt held in Austria, (b) the amount of all outstanding internal public debts in Austria, and (c) the fiscal position of Austria. You will promptly submit recommendations concerning the treatment of these debts, taking into consideration the effect on Austrian public credit of policies on this matter.

Property Control

55. Subject to any agreed policies of the Allied Council, you will impound or block all gold, silver, currencies, securities accounts in financial institutions, credits, valuable papers, and all other assets falling within the following categories:

a. Property owned or controlled, directly or indirectly, in whole or in part, by any of the following:

(1) the governments, nationals or residents of the German Reich, Italy, Bulgaria, Rumania, Hungary, Finland and Japan, including those of territories occupied by them;

(2) the Austrian State, the municipal and provincial government and all governmental authorities within Austria, including their agencies and instrumentalities;

(3) the Nazi party, its formations, affiliated associations and supervised organizations, its officials, leading members and supporters;

(4) all organizations, clubs or other associations prohibited or dissolved by military government;

(5) absentee owners, including United Nations and neutral governments;

(6) any institution dedicated to public worship, charity education or the arts and sciences, which has been used by the Nazi party to further its interests or to cloak its activities;

(7) persons subject to arrest under the provisions of paragraph 7, and all other persons specified by military government by inclusion in lists or otherwise;

b. Property which has been the subject of transfer under duress, or wrongful acts of confiscation, disposition or spoliation, whether pursuant to legislation or by procedures purporting to follow forms of law or otherwise;

c. Works of art or cultural material of value or importance, regardless of the ownership thereof.

You will take such action as will ensure that any impounded or blocked assets will be dealt with only as permitted under licenses or other instructions which you may issue. In the case particularly of property blocked under *a* (2) above, you will proceed to adopt licensing measures which, while maintaining such property under surveillance, would permit its use in consonance with this directive. Property taken from Austrians under

the conditions stated in *b* above should be restored as promptly as possible, subject to appropriate safeguards to prevent the cloaking of Nazi, German or militaristic influence.

The Allied Council should seek out and reduce to the possession and control of a special agency all property interests of any type and description owned either directly or indirectly by Germany or a national or a resident thereof.

External Financial and Property Relations

56. All foreign exchange transactions, including those arising out of exports and imports, shall be controlled for the purpose of achieving the objectives set forth in this directive. To effectuate such objectives the Allied Council should

a. seek out and reduce to the possession and control of a special agency all Austrian (public and private) foreign exchange and external assets of every kind and description located within or outside Austria;

b. prohibit, except as authorized by regulation or license, all dealings in gold, silver, foreign exchange, and all foreign exchange transactions of any kind;

c. make available any foreign exchange proceeds of exports for payment of imports necessary to the accomplishment of the objectives set forth in this directive and authorize no other outlay of foreign exchange assets except for purposes approved by the Allied Council or other appropriate authority;

d. establish effective controls with respect to all foreign exchange transactions, including:

(1) transactions as to property between persons inside Austria and persons outside Austria;

(2) transactions involving obligations owed by or to become due from any person in Austria to any person outside Austria; and

(3) transactions involving the importation or exportation from Austria of any currency, foreign exchange asset or other form of property.

57. The Allied Council should, in cooperation with the Control Council in Germany, take steps necessary to sever all managerial and other organizational connections of banks, including postal banking offices, and all other business enterprises located in Austria with banks and business enterprises or persons located in Germany.

Canadian-American Cooperation in War and Peace, 1940-1945

BY ELIZABETH H. ARMSTRONG¹

THE COOPERATION between the United States and Canada which took so close a form in the course of the recent war is based on a long history of increasingly friendly relations between the two countries, as well as on a common language and a common way of life. Relations between Canada and the United States before World War II were based less on common institutions than on the constant interchange of population, tourists, books, movies, across an unguarded and ever peaceful frontier. Perhaps the best pre-war example of joint institutions was the International Joint Commission, established in 1909, primarily to prevent disputes regarding the use of boundary waters but also to settle all questions pending between the United States and Canada involving the "rights, obligations or interests of either along their common frontier and to make provisions for the adjustment and settlement of all questions." In the course of its existence the International Joint Commission has disposed of a number of problems, largely concerned with boundary waters, which might have caused untold delays and considerable friction.

In the course of the last few decades, Canada, while remaining loyal to its heritage of British tradition, has become more and more North American in its general outlook and in the orientation of its foreign policy, which, nevertheless, emphasizes world rather than regional approaches. How interdependent the basic defense interests of Canada and the United States had become in the years immediately preceding World War II was clearly revealed by President Roosevelt's speech at Kingston in 1938 when he said that "the people of the United States will not stand idly by if domination of Canadian soil is threatened by any other em-

pire". This famous statement found an echo in the minds and hearts of both Canadians and Americans that foretold the even closer cooperation that the war years were to bring about.

Wartime cooperation between Canada and the United States arose from the desperate situation facing the world in 1940 when German power had swept through western Europe to the very shores of the Atlantic. It was based on the urgent necessity shared by Canada and the United States for curbing the aggression of the Axis powers and concerting plans for the defense of the northern part of this hemisphere.

Military Cooperation

Canadian-American military cooperation was based upon the Ogdensburg agreement of August 18, 1940, between President Roosevelt and Prime Minister King, which provided that a Permanent Joint Board of Defense should be set up at once. The Board was to consider in a broad sense the defense of the northern half of the Western Hemisphere and to commence immediate studies relating to sea, land, and air problems including personnel and material. The most significant thing about the creation of this Joint Defense Board lay in the fact that it was clearly intended that its functions should extend beyond immediate wartime needs and should constitute the permanent advisory instrument for planning the defense of both the United States and Canada in the post-war period.

Owing to security restrictions little has been published of the work of the Joint Defense Board in the five years that it has existed. Nevertheless, it is well known that the Board has been at the

¹ Miss Armstrong is Assistant in the Division of International Organization Affairs, Office of Special Political Affairs, Department of State.

very core of the joint measures taken for the defense of this continent against German and Japanese aggression. The close and friendly relationship of its members, one with the other, constitutes a happy demonstration of the ease with which Canadians and Americans work together and is an excellent augury for the future cooperation of the two peoples.

Even before the United States entered the war, joint Canadian-American measures were taken for the defense of the northeastern approaches to the North American Continent. After Pearl Harbor a policy of the closest cooperation between all the armed services of Canada and the United States was initiated. Soon after our entry into the war the United States and Royal Canadian navies began to cooperate in the patrol of the North Atlantic sea lanes and in the escorts provided for the convoy service to British ports. These measures were especially helpful during the summer of 1942 when the submarine menace to North American shores was at its height.

In the course of 1942 a Canadian Joint Staff mission was set up in Washington for the purpose of coordinating Canada's war effort with that of the United States and of the other Allies. A training scheme for a joint special service force was established in which Canadian soldiers were teamed with American troops. Canadian and American forces served jointly in Newfoundland, Iceland, and Alaska, while units of the Royal Canadian Air Force flew together with American air units in both Alaska and the Aleutians. Canadian troops also took an active part in the operations leading to the occupation of Kiska in the Aleutians in 1943. In the final phase of the war against Japan, a Canadian army force of 30,000 men, equipped with United States weapons so as to minimize supply problems, was being prepared to fight as an integral part of the United States armies. Canadian Navy and Air Force contingents, while operating with their British comrades, would have been for the most part under an American supreme commander.

The construction of the Alaska Highway, which had been envisioned by President Roosevelt and others as early as 1937, was one of the outstanding examples of Canadian-American wartime coopera-

tion. The extension of communication facilities in the Pacific northwest, the expansion of the Northwest Air Staging Route, and the extension of meteorological service in that area were the natural accompaniment of the building of this great strategic road.

The agreements signed by Canada and the United States on March 17 and 18, 1942 provided for the construction of a highway along a route following the general line of airports, Fort St. John - Fort Nelson - Watson Lake - Whitehorse - Boundary - Big Delta.² The United States undertook to build the highway, to make the necessary surveys, and to provide for road maintenance until the termination of the war and six months thereafter, unless Canada should prefer to resume responsibility at an earlier date. It was further agreed that at the end of the war the Canadian part of the highway should revert to Canadian ownership and should become an integral part of the Canadian highway system, subject to the understanding that at no time should any discriminatory conditions in relation to the use of the road as between Canadian and United States civilian traffic be imposed.

The construction of the Alaska or Alcan Highway, beset as it was with engineering and other difficulties, nevertheless served a great purpose in providing a practical demonstration to the peoples of both Canada and the United States that they had a joint responsibility for the defense of the great Pacific northwest and that in happier days they might share a prosperous future in this area.

Economic Cooperation

The chief measures taken for economic cooperation between Canada and the United States grew out of the Hyde Park declaration made by President Roosevelt and Prime Minister King on April 20, 1941.³ Its underlying cause was the necessity for obtaining sufficient American exchange for Canada, together with the desire to avoid a duplication of productive effort and provide a coordination of the economic facilities of Canada and the United States. The principle was laid down that each country was to provide the other with those defense articles which it was best able to produce so that the most prompt and effective utilization of North American productive facilities could be procured not only for local and hemisphere de-

² EXECUTIVE AGREEMENT SERIES 246.

³ BULLETIN of Apr. 26, 1941, p. 494.

fense but also for aid to the United Kingdom and the other democracies. The United States undertook to buy enough Canadian war products to allow Canada in turn to pay for essential war materials from the United States. The Hyde Park declaration has been rightly called an extension of Ogdensburg⁴ into the economic field.

In May 1941, shortly after the Hyde Park declaration, a Material Coordinating Committee, consisting of members of the Office of Production Management and their counterparts in the Canadian Wartime Industries Board, was set up to collect and exchange information on raw material supplies in both countries and to consider their maximum utilization for hemisphere defense. The Material Coordinating Committee also served as the Canadian link with the Combined Raw Materials Board on which Canada was not directly represented, although it was a member of the Combined Production and Resources Board as well as of the Combined Food Board.⁴ A month later, in June 1941, the joint economic committees were established to consider the possibilities of effecting an efficient, economical, and coordinated use of combined resources and a reduction of probable post-war economic dislocation.

A Joint War Production Committee was set up in November 1941 to provide arrangements for uniform specifications, quick exchange of supplies, and the break-up of transportation bottlenecks. In March 1943 a Joint Agricultural Committee was established to review continuously Canadian-American food production and distribution and to further developments which might be of help in wartime agricultural and food problems. Later, at the 1943 Quebec conference, a Joint Canadian-American War Aid Committee was formed by President Roosevelt and Prime Minister King. It was to study problems arising out of the operations of Lend-Lease and Mutual Aid programs and to make recommendations concerning them.

In addition to the excellent work of coordination accomplished by the joint Canadian-American committees, a good deal of practical cooperation was achieved through the simplification of border barriers (some of which however still exist) and the close contact between control officers of both countries. The War Production Board, for instance, worked out a program by which priorities for critical materials were allotted to

Canadian war industry on the same basis as to American. The result was a very substantial degree of integration of industry in the two countries for war production purposes.

Political Cooperation

The political cooperation which existed between Canada and the United States during the years of World War II, to a hitherto unprecedented degree, in no way implied that any formal alliance had been established between the two countries. The wartime cooperation of the two North American countries, however, did involve the pooling of resources, of materials, and even of high policy in the interests (1) of hemisphere defense and (2) after December 7, 1941, of winning the war. But it remained clearly understood by the two governments and indeed by the Canadian and American peoples that, although they were in this desperate fight together and were willing to give each other everything that was needed to bring it to a successful conclusion, there was no question at all of any hard and fast arrangements. In the larger sense, there was no necessity for any clearer definition of the relations between Canada and the United States in wartime. The governments and the peoples understood each other and were content in their mutual wartime cooperation, which they felt in no way conflicted with their own particular and basic loyalties.

Canadian-American Relations at International Conferences

During the latter years of the recent war Canada took a prominent part in a number of conferences held in this country. In all of them the policies of the Canadian delegations were not far apart from those of the representatives of the United States, and an atmosphere of cordial cooperation existed between representatives of the two countries. Canada took a prominent part in the Food Conference held at Hot Springs, Virginia, in 1943, and Mr. L. B. Pearson, Minister Counselor of the Canadian Embassy in Washington (now Canadian Ambassador), was chosen to be Chairman of the Interim Food Commission. Canada played an equally vital role at the UNRRA Conference held at Atlantic City in 1943 and at the International Labor Office Conference at Philadelphia in the fol-

⁴For article on the Combined Boards, by Courtney Brown, see BULLETIN of July 1, 1945, p. 17.

lowing year, in each case sending delegates of cabinet rank. The Canadian Government produced a carefully thought out plan for financial and monetary reform which its delegation presented to the Bretton Woods conference held in the summer of 1944. Canada also presented a plan of its own for the international control of civil aviation to the Chicago conference in the same year.

Canadian-American Relations and the Proposed International Organization

Canada, always interested in the principle of collective security during its membership in the League of Nations, throughout World War II expressed hope for the post-war creation of a better international organization than the League had proved to be. Even before the Dumbarton Oaks Conversations, Canadian public opinion had begun to favor a strong post-war international organization, and considerable interest was aroused in favor of a world police force.

At the conclusion of the Dumbarton Oaks Conversations, when the governments of the United Nations were asked to express their comments in view of the proposed San Francisco conference, the Canadian Government expressed certain objections based on the consciousness of Canada's position as an important secondary or middle power and the feeling that this position should be recognized in view of Canada's high military and industrial potential as compared with other small nations.

In explanation of Canada's "middle power" policy it should be said that one of the most striking phenomena of the present war has been the growth of Canadian national feeling. It is largely based on pride in the splendid achievements of Canada in the industrial and agricultural, as well as in the military field. Canada, a country of less than 12,000,000 people, raised an army of well over three quarters of a million men, an air force of almost 200,000, and a navy that from tiny beginnings finally totaled over 90,000 men and 500 ships. Canada's industrial potential increased so rapidly in the course of the war that she became the fourth largest industrial country among the United Nations. All this military and economic war effort was expended in the closest cooperation with the United States. In addition, Canadian scientists were engaged in atomic research in close collaboration with their American and British colleagues.

The Canadians regarded two revisions of the Dumbarton Oaks Proposals as of fundamental importance to them: (1) that secondary powers be represented as such on the Security Council and (2) that decisions of the Security Council be binding only on the members thereof and that some machinery be devised for other powers to be heard before being committed.

In a speech made on March 19, 1945, Prime Minister King made it clear that the Canadian delegation at San Francisco would be instructed to work toward the following objectives: (1) recognition of the relative standing of secondary states; (2) the clarification of the position on the enforcement of diplomatic, military, and economic sanctions; and (3) the definition of the relations between the Security Council and any international authority set up to supervise long-term measures of control for enemy territory.

The Canadian delegation at San Francisco did an excellent job in interpreting Canada's desire for the recognition of the importance of middle powers and for some representation of such powers when matters affecting their essential interests were discussed by the Security Council. With quiet and tactful determination the Canadian delegation pursued its policy and was rewarded by a somewhat modified, but none the less important, recognition of the principle involved.

To those who observed the Canadian delegation at San Francisco it was notable that although the delegates never deviated from representation of their own country's interests, in so doing they inevitably played an important role in helping to place North American viewpoints before the other delegations.

Canada's Commonwealth Relations vis-à-vis Its Relations to the United States

There can be little doubt that Canada, the senior dominion of the British Commonwealth, in spite of its deep and traditional loyalty to the mother country, today is well aware that its relations with the United States constitute the most important factor in its foreign policy. More than ever before and largely as a result of the recent war, Canadians, both English- and French-speaking, have realized that theirs is a North American country whose future peace and prosperity is in-

dissolubly linked with that of the United States. This, however, in no way implies that Canada will not always remain deeply attached to Great Britain. But today as never before Canadians are masters of their own destiny, for the recent war made them an industrial and military power in their own right.

Throughout the war, with its intimate linking of Canada and the United States for a myriad of war purposes, there has been no thought whatever on the part of any responsible American official of any desire to interfere in Canada's relation to the United Kingdom. Canadians, for their part, are more aware than any others of the profound changes that have occurred in American political thought on organization for peace since the refusal of the United States to take its place in the League of Nations little more than a quarter of a century ago. It may be assumed that this is deeply welcome to Canada as is any development which tends to bring about a closer identity of viewpoint between the United States and the nations of the British Commonwealth, including, most especially, the United Kingdom.

It is a heartening fact that the close cooperation of the Canadian and American peoples and governments is based not only on mere geographical contiguity but also on a common approach to similar problems and on common necessities. The close association of World War II has proved once and for all that the two countries can be a military and industrial unit without in any way impairing the separate political entity of its component parts based on separate long-standing traditions. Canadians and Americans often speak, think, and act alike. But each nationality prefers its own land, its own tradition, and its own particular way of doing things. Canadian-American relations today are an example of mutual tolerance and understanding between nations. Canadians no longer are concerned, as they were throughout the nineteenth century, lest their country be swallowed up by the United States; nor do Americans speak any more of the inevitability of annexation. A common experience in war and peace has at last brought both countries to an appreciation one of the other and of the particular gifts that each has to contribute to the common "peace, order and good government" of this hemisphere and of the world as a whole.

Public Opinion and Foreign Policy

OCTOBER 13, 1945

DEAR GENERAL MCCOY:

I am very sorry indeed that I cannot attend the forum of the Foreign Policy Association to speak to your members in person. The fine work your organization has been doing has my complete support. There is, in my opinion, no more urgent task before us at this time than the building of an informed public opinion on the problems of foreign policy. Without a firm foundation of public understanding the United States cannot fulfill its responsibilities or exercise the leadership which our position as a great democracy demands of us.

The American people are embarking on a new course of full participation in international affairs, full cooperation in the solution of the problems of peace. Not only our humanitarian impulses, but considerations of self-interest dictate this foreign policy. We are aware, and we shall become increasingly aware that the road we have taken is hard. The way of cooperation is laborious and often discouraging. It will demand of all of us great patience, and more than that, a much clearer understanding than we have ever had of the problems of other peoples.

Unless we exercise this patience and attain this understanding, there will be widespread disillusionment and loss of faith in the possibility of an expanding international collaboration. Such a development would jeopardize the future security and well-being of the American people. Therefore I urge the Foreign Policy Association and other public spirited citizen groups to redouble their efforts at public education in the field of international relations.

Your government welcomes this cooperation, and will do its utmost to make available the facts and interpretation of policy on which an intelligent public opinion must be based.

Very sincerely yours,

HARRY S. TRUMAN

Major General FRANK ROSS MCCOY,
President, Foreign Policy Association,
New York, N. Y.

The Charter of the United Nations: Entry Into Force

[Released to the press on October 24]

The Charter of the United Nations, together with the Statute of the International Court of Justice, came into force today, October 24, 1945. The international Organization to be known as the United Nations thereby came into being.

A Protocol of Deposit of Ratifications was signed on October 24 by the Secretary of State. The Protocol sets forth the fact that the requirements of the Charter for its coming into force have been met and lists the ratification instruments or documents which have been placed in the possession of the Department of State for deposit with the original of the Charter. Facsimile copies of the Protocol will be furnished by the Government of the United States to each of the other governments signatory to the Charter.

The procedure for bringing the Charter into force is stated in the Charter itself. Under the terms of article 110 the deposit of instruments of ratification by the United States, China, France, the Soviet Union, the United Kingdom, and a majority of the other signatory countries is necessary in order to bring the Charter into force. Inasmuch as there are fifty-one signatory countries, the minimum number of instruments which had to be deposited in order to bring the Charter into force was twenty-nine, provided this number included the five countries specifically named.

The text of the Protocol of Deposit of Ratifications signed by the Secretary of State is as follows:

PROTOCOL OF DEPOSIT OF RATIFICATIONS OF THE CHARTER OF THE UNITED NATIONS

WHEREAS, paragraph 3 of Article 110 of the Charter of the United Nations, signed at San Francisco on June 26, 1945, provides as follows:

"3. The present Charter shall come into force upon the deposit of ratifications by the Republic of China, France, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of

America, and by a majority of the other signatory states. A protocol of the ratifications deposited shall thereupon be drawn up by the Government of the United States of America which shall communicate copies thereof to all the signatory states.";

WHEREAS, the Charter of the United Nations has been signed by the Plenipotentiaries of fifty-one states;

WHEREAS, instruments of ratification of the Charter of the United Nations have been deposited by

the Republic of China on September 28, 1945,
France on August 31, 1945,

the Union of Soviet Socialist Republics on
October 24, 1945,

the United Kingdom of Great Britain and
Northern Ireland on October 20, 1945, and
the United States of America on August 8, 1945;
and by

Argentina on September 24, 1945,

Brazil on September 21, 1945,

the Byelorussian Soviet Socialist Republic on
October 24, 1945,

Chile on October 11, 1945,

Cuba on October 15, 1945,

Czechoslovakia on October 19, 1945,

Denmark on October 9, 1945,

the Dominican Republic on September 4, 1945,

Egypt on October 22, 1945,

El Salvador on September 26, 1945,

Haiti on September 27, 1945,

Iran on October 16, 1945,

Lebanon on October 15, 1945,

Luxembourg on October 17, 1945,

New Zealand on September 19, 1945,

Nicaragua on September 6, 1945,

Paraguay on October 12, 1945,

the Philippine Commonwealth on October 11,
1945,

Poland on October 24, 1945,

Saudi Arabia on October 18, 1945,

Syria on October 19, 1945,

Turkey on September 28, 1945,
the Ukrainian Soviet Socialist Republic on
October 24, 1945,
Yugoslavia on October 19, 1945;

AND WHEREAS, the requirements of paragraph 3 of Article 110 with respect to the coming into force of the Charter have been fulfilled by the deposit of the aforementioned instruments of ratification;

NOW, THEREFORE, I, James F. Byrnes, Secretary of State of the United States of America, sign this Protocol in the English language, the original of which shall be deposited in the archives of the Government of the United States of America and copies thereof communicated to all the states signatory of the Charter of the United Nations.

DONE at Washington this twenty-fourth day of October, one thousand nine hundred forty-five.

JAMES F. BYRNES
Secretary of State
of the United States of America

STATEMENT BY EDWARD R. STETTINIUS, JR.¹

OCTOBER 24, 1945.

I have just received word that the United Nations Charter has come into force today. I am, of course, delighted at the news. I am sure the American people share with me a strong sense of the significance of this occasion, and are prepared to give their full support to the United Nations to the end that our common aim of building a new and better world shall be attained.

OCCASION OF SIGNING OF THE PROTOCOL OF DEPOSIT OF RATIFICATIONS

Statement by the Secretary of State

[Released to the press October 24]

LADIES AND GENTLEMEN: Shortly after 3 o'clock this afternoon a representative of the Soviet Embassy deposited with the Department the Soviet Government's instrument of ratification of the United Nations Charter.

Twenty-nine nations, including the United States, China, France, the Union of Soviet Socialist Republics, and the United Kingdom, have now deposited their instruments of ratification.

The United Nations Charter is now a part of the law of nations.

This is a memorable day for the peace-loving peoples of all nations.

As I have frequently said, the maintenance of peace depends not upon any document but upon what is in the minds and hearts of men. But the peoples of this earth who yearn for peace must be organized to maintain that peace. This Charter provides the organization.

In the days ahead of us we will do our utmost, in cooperation with the other United Nations, to keep the peace and promote the well-being of all peoples.

It is now my happy privilege to sign the Protocol which, in accordance with article 110 of the United Nations Charter, will attest to the fact that the Charter has come into force.

Preparatory Commission of the United Nations

DISCUSSION ON RELATION BETWEEN SPECIALIZED AGENCIES AND THE UNITED NATIONS

[Released to the press by the Preparatory Commission of the United Nations October 11]

The Executive Committee of the Preparatory Commission of the United Nations which met this afternoon at Church House, Westminster, Mr. Noel-Baker (United Kingdom) presiding, considered the first of the series of complete reports which are now being submitted to the Executive Committee by its ten working committees. The

reports of these ten committees will be embodied in the final report, which will be presented by the Executive Committee to the Preparatory Commission, to meet in London on November 8.

The report submitted to the Executive Committee today was that of Committee 8, which had discussed the relationship between specialized agencies and the United Nations. The Committee has made in its report a number of suggestions for bringing into relationship with the United Nations the various intergovernmental agencies which have been or may be established to deal

¹ Mr. Stettinius is United States Representative on the Preparatory Commission of the United Nations, which is now meeting in London.

with economic, social, educational, health, and similar matters. These suggestions implement the provisions of the Charter which entrust the United Nations with the responsibility for coordinating the policies and activities of these agencies, and furnish a possible basis for the agreements to be concluded with them. Among other things the report suggests methods for financial and administrative coordination.

As a result of the discussion in the Executive Committee, several changes were made in the draft of the report. Among these it was decided that the phrase used in the report "all important existing specialized agencies" be replaced by the language of article 57 of the Charter, which refers to "the various specialized agencies".

After some discussion the Executive Committee agreed to transmit to the Preparatory Commission the observations laid before it by Committee 8 regarding the relationship between specialized agencies and the United Nations. It was further agreed that it be recorded in the minutes that the decision was taken on the understanding that the transmission itself does not mean either approval or disapproval of these observations, and that the minutes of the Executive Committee meeting which considered them will also be transmitted to the Preparatory Commission in order to make clear the views of the various delegations.

This decision was taken by a vote of 10 in favor, with 2 abstentions and 2 qualified votes.

Certain proposals, submitted by Gladwyn Jebb, Executive Secretary, concerning the printing and distribution of the Executive Committee's final report to the Preparatory Commission, were approved. Copies of both the final report and the appendixes will be mimeographed in the two working languages of the Executive Committee (English and French) and dispatched by airmail on October 20. Subsequently the reports will be printed in the five official languages (English, French, Chinese, Russian, and Spanish). These printed reports will be available in London on or about November 1. The Executive Secretary was authorized to have sufficient copies of the final report for circulation to all delegations to the Preparatory Commission, to the League of Nations and the specialized agencies, to the press, and so far as possible to such private national organizations as may apply.

It was announced that the Union of South Africa has taken executive action for the ratification of the Charter, which has now been ratified by a total of 33 states, of which 12 have deposited the instruments of ratification in Washington.

The next meeting of the Executive Committee will be held on Friday, October 12, at 10:30 a.m.

CONCERNING THE SELECTION OF UNITED NATIONS HEADQUARTERS

[Released to the press by the Preparatory Commission of the United Nations October 15]

When the Executive Committee met this morning, Mr. Noel-Baker (U.K.) presiding, it was found necessary to reconsider the program of work. It was originally intended that the Executive Committee should conclude its work by Thursday, October 18. Certain suggestions to this end were submitted at the beginning to today's meeting by the Executive Secretary (Gladwyn Jebb).

It was then intimated by M. Roschin, deputizing for M. Gromyko (U.S.S.R.), that the Soviet Delegation needed further consultation with its government. M. Roschin therefore suggested that the Executive Committee should suspend its meeting for two or three days.

Escott Reid (Canada) suggested that time should be allowed for the drafting and coordination of the committee reports.

Eventually it was agreed that the next meeting be held on Thursday next, when all delegations will be ready to take final decisions.

The problem of selecting the site for the headquarters of the United Nations was brought up by Mr. Stettinius (U.S.A.). Should the Executive Committee's decision in favor of the United States be confirmed by the Preparatory Commission and the General Assembly, it would be necessary, Mr. Stettinius said, to take practical steps for the selection of a suitable site. For this purpose a proper organ of the United Nations should analyze and assemble the various proposals and then transmit them in useful form to the Preparatory Commission.

On the suggestion of Wellington Koo (China) it was agreed that this should be done by Committee 10.

Mr. Hasluck (Australia), M. Entezam (Iran), and other delegates pressed for the publication of the report on the private meeting at which the question of the location of the headquarters had

been discussed. It was agreed that the delegations would be given another two days to insert any corrections they might like to make and that the verbatim record would then be made available to the press.

Mr. Noel-Baker announced that he would be leaving this country on Thursday and suggested the election of a new chairman to take his place. On the proposal of M. Roschin (U.S.S.R.), Mr. Stettinius was elected chairman.

ACTIONS TAKEN ON COMMITTEE REPORTS

[Released to the press by the Preparatory Commission of the United Nations October 12]

The Executive Committee of the Preparatory Commission of the United Nations met this morning at Church House, Westminster, under the chairmanship of Mr. P. J. Noel-Baker, Minister of State. The Committee considered a report submitted by Committee 9 on the transfer to the United Nations of the League of Nations' functions and assets. This report had been adopted in Committee 9 after 8 delegates had voted in favor, one against, and one abstention.

The report recommended that the functions and assets of the League of Nations of a technical and non-political character should be taken over by the United Nations, subject to certain exceptions and without prejudice to such action as the United Nations may subsequently take. It was further recommended that continuity be maintained in the work done by the League of Nations on such matters as economic and health questions and the control of the drug traffic. The library and archives of the League of Nations should be taken over.

M. Gromyko (U.S.S.R.) objected to any recommendation which might suggest that all non-political functions of the League should be taken over. There was no strict line of demarcation between political and economic functions, nor was there any legal or political connection between the United Nations and the League. Organs of the United Nations should decide for themselves which functions of the League were to be continued.

Mr. Hasluck (Australia) supported the view that the organs of the United Nations should themselves decide this question.

Mr. Stettinius (U.S.) felt that the draft, which had been very carefully prepared, amply met the Soviet and Australian objections.

Dr. Wellington Koo (China), urging the need to carry on the technical work of the League,

stated that Japan had reintroduced in the Far East the traffic in harmful drugs and that urgent action was necessary. He wished to see the adoption of the report.

A vote was taken, 10 delegations voting in favor of the adoption of the report, with U.S.S.R. and Australia voting against and Czechoslovakia and Yugoslavia abstaining. The Australian Delegate emphasized that his objection to the report concerned the text only.

The Executive Committee then considered the report submitted by Committee 5 on the privileges and immunities to be accorded to officials of the United Nations and the specialized agencies. The report recommended that certain diplomatic privileges would be essential to the proper discharge of the officials' duties, but that such privileges should be strictly limited to officials whose work demanded them. The proposed creation of an international passport for United Nations' officials should not in any way infringe upon the sovereign right of states to demand visas, where necessary, but it should be understood that such visas would be granted quickly.

The report was adopted with minor modifications.

The Executive Committee also adopted the current progress report on the work of the technical committees.

The next meeting will be on Monday, October 15, at 10 a.m.

[Released to the press by the Preparatory Commission of the United Nations October 18]

At today's meeting of the Executive Committee, before the debate on the agenda of the day, Wellington Koo (China) raised the problem of selecting a specific place within the United States for setting up the permanent headquarters of the United Nations. He suggested that Committee 10 should prepare a comparative study based on the proposals which have been received.

M. Gromyko (U.S.S.R.) said that he had understood that the problem was to be discussed not only by a subcommittee but eventually also by the Executive Committee and that the Executive Committee would then make specific recommendations to the Preparatory Commission.

This view was supported by Mr. Hasluck (Australia). On the other hand Professor Webster (U.K.) contended that no special resolution

was needed. Mr. Stevenson (U.S.) said that it would be difficult for the Executive Committee to make any specific recommendation. Eventually it was agreed to postpone further discussion.

The Executive Committee is now entering its final stage. Six of its subcommittees have already completed their reports, and three of them have been passed by the Executive Committee. The reports passed are those of Committees 5 (Court and Legal), 8 (Specialized Agencies), and 9 (League of Nations); those ready for consideration are the reports of Committees 4 (Trusteeship), 3 (Economic and Social) and 7 (Finance). It is hoped that the remaining reports will be finished by Friday night, but there were some doubts expressed at today's meeting whether it will be possible for the Executive Committee to conclude its work within the time schedule, that is by October 24 at the latest. All delegates, however, were in favor of adhering to the dates agreed on for the meeting of the Preparatory Commission (November 8) and of the General Assembly (December 4).

When today the Executive Committee continued the discussion of the report of Committee 4 (Trusteeship), M. Gromyko (U.S.S.R.) objected to the creation of a temporary Trusteeship Committee as suggested by Committee 4. He said that the Charter did not provide for such a substitute for the Trusteeship Council, and that confusion would thereby be created.

Mr. Stevenson (U.S.) said that complete agreement had been reached about the creation of the Trusteeship Council at the earliest possible moment. The setting up of a temporary Trusteeship Committee was a means to that end.

M. Massigli (France) said that as a result of the attitude taken up by the Soviet Delegation an entirely new situation had arisen. It might be found necessary to examine alternative suggestions.

Professor Webster reminded the Committee that the report had been unanimously adopted in the subcommittee and suggested that it be passed; objections could be raised in the subsequent debate before the Preparatory Commission.

The report of Committee 4 was eventually adopted by 7 votes against 3 (U.S.S.R., Czechoslovakia, Yugoslavia), with 4 abstentions (Mexico, Chile, Iran, France).

At the beginning of the meeting Adlai Stevenson (U.S.) was elected chairman in the place of

Mr. Stettinius, who had to return to the United States for health reasons.

The next meeting of the Executive Committee will be held on Friday, October 19, at 10:30 a.m.

[Released to the press by the Preparatory Commission of the United Nations October 22]

At the meeting of the Executive Committee of the Preparatory Commission of the United Nations on October 22 M. Gromyko (U.S.S.R.) raised a number of objections to various committee reports which are now coming up for consideration before the Executive Committee concludes its work. After prolonged discussion of the proposed Russian amendments, some of which were carried, the Executive Committee adopted the report dealing with the Economic and Social Council but deferred discussion of the committee report dealing with financial matters. The Executive Committee then began to consider the report on the Security Council.

The Executive Committee has so far passed the final recommendations of five of its ten working committees, namely those of Committee 3 (Economic and Social Council), 4 (Trusteeship), 5 (International Court and Legal Problems), 8 (Specialized Agencies), and 9 (League of Nations). Awaiting approval for eventual submission to the Preparatory Commission are the reports of Committees 1 (General Assembly), 2 (Security Council), 6 (Secretariat), 7 (Financial Arrangements), and 10 (General).

Presenting the report on the Security Council, Mr. Blaisdell (U.S.) said that part of the report had had the unanimous support of all the members of Committee 2. Against another part of the report certain delegations, particularly those of the Union of Soviet Socialist Republics, Czechoslovakia, Yugoslavia, and Chile, had reserved their right to raise questions before the Executive Committee. The Australian Delegate (Mr. Hasluck) made reservations concerning the selection of the President of the Security Council. In his view the presidency should be held in a personal capacity and should be for an annual term.

Mr. Hasluck also said that he most emphatically disagreed with the interpretation sometimes given to the position of the Security Council, according to which the Executive Committee had better leave the Security Council alone. In Mr. Hasluck's opinion this was a most unhealthy tend-

ency. At the beginning of their work the United Nations should not be perpetually faced with the idea that the Security Council was so remote and exclusive that no suggestion could be made regarding its activities. The Security Council did not act for itself. It acted for and on behalf of the whole of the United Nations. No particular power, Mr. Hasluck continued, had any right to lift the Security Council out of the Charter or to set it apart from the other organs of the United Nations. Mr. Hasluck said that he recognized the need for a strong Security Council, but he refused to recognize it as an isolated and supersensitive body.

The debate was then adjourned until Tuesday, October 23, 10 a. m.

PROBLEMS RELATING TO ECONOMIC AND SOCIAL COUNCIL

[Released to the press by the Preparatory Commission of the United Nations October 19]

The Executive Committee of the Preparatory Commission of the United Nations discussed on October 19 problems relating to the creation and the work of the Economic and Social Council. Mr. Stevenson (U.S.), in the chair, pointed out that his Government, considering the need for economic and social reconstruction in all parts of the world, attached the greatest importance to the preparations for the setting up of the Economic and Social Council. The relevant report which was now being considered by the Executive Committee showed how they could create the machinery which would enable the Economic and Social Council to take prompt action.

In the discussion which followed, Dr. Wellington Koo (China) drew attention to the urgent problem of the traffic in opium and other dangerous drugs. The Japanese, he said, did everything to promote the abuse of opium and other drugs. The Chinese Government had now found it necessary to embark on yet another campaign against the opium danger. Dr. Wellington Koo, on behalf of his Government, expressed the earnest hope that the Economic and Social Council, upon its establishment, would without delay set up a separate Standing Commission to take the place of the League of Nations Opium Advisory Commission.

A number of delegates, associating themselves with the statement of the chairman, stressed the

importance of the Economic and Social Council for the reconstruction of the world and expressed their satisfaction with the report that had been submitted to the Executive Committee.

Today the Executive Committee concluded its general discussion on the reports of Committees 3 (Economic and Social) and 7 (Finance) but decided to postpone decisions on these reports until a later meeting.

The date of the next meeting will be fixed by the chairman, either tonight or early tomorrow morning.

RECEPTION OF DELEGATES FOR THE GENERAL ASSEMBLY

[Released to the press by the Preparatory Commission of the United Nations October 23]

This conference has been arranged because various members of the press have expressed interest in the plans for the forthcoming General Assembly of the United Nations. These plans are still rudimentary, but journalists may be glad to know something about the proposed arrangements.

It is hoped that the Preparatory Commission of the United Nations will meet at Church House on November 8. Its plenary meetings will be held in the wartime House of Commons. On December 4, if present plans can be carried out, the first General Assembly of the United Nations will be held in Central Hall, Westminster. Mainly because of the difficulty of heating, the original project to use Westminster Hall will almost certainly have to be abandoned. Plans are already in hand for adapting Central Hall to make it a fitting center for the world Assembly. Technical arrangements to this end are the responsibility of the Ministry of Works.

It is anticipated that several hundred delegates and experts will be coming to London for the Preparatory Commission and anything up to 2,000 for the General Assembly. A great task of organization lies before those who are responsible for receiving and accommodating these visitors. It is expected that many of the 50-odd United Nations will send their Foreign Minister as chief delegate, and it is hoped that Mr. Bevin will lead the United Kingdom Delegation. Other leading statesmen, diplomats, and economic and legal experts will accompany their chiefs.

Technical arrangements for both conferences, together with all committee meetings, servicing by

secretariat, reproduction and distribution of documents running into millions of words, interpreting and translating, press facilities and public relations, and so forth, will be the responsibility of the United Nations. Reception, accommodation, and entertainment of delegates will be provided by the new Conference Department of the Foreign Office under Col. G. R. Codrington, C.B., D.S.O.

Delegates wishing to use British travel facilities to reach London from abroad will apply through the local British Embassy or Legation to the Ministry of War Transport. Others will come by any alternative service they may prefer. On their arrival, accommodation will be provided for them, if so desired, by the Foreign Office Conference Department. Finding rooms in overcrowded London is a problem which admits of no easy solution. To begin with, the Foreign Office does not yet know how many visitors to expect. Cables were sent some time ago to all the United Nations asking for information on this point, but half of them have not yet replied. This greatly complicates the whole problem of negotiation with hotel proprietors, and so forth, and speedy information is essential. One well-known London hotel is refusing 600 applications daily, and all are booked up far in advance.

An appeal for private hospitality has already been launched by the Travel Association of Great Britain and some arrangement on these lines may prove to be the best solution when it is known precisely what we shall need.

Most de-requisitioned buildings are unsuitable for conversion to hotels in the time available and His Majesty's Government, while able to requisition hotels and equipment, has no powers to requisition staff, and is moreover anxious not to alienate a hard-working industry whose cooperation is essential.

Transport to and from the conferences will be provided by cars and drivers supplied by the Army, Navy, and Air Force. It is also proposed to appoint a special liaison officer from one of the services to each delegation, choosing whenever possible an officer with some experience of the country with whose nationals he will be working.

At war-time conferences in various parts of the world, British marines acted as guards, doorkeepers, messengers, and so forth. About 150 marines will be detailed for the same services during the General Assembly.

Our visitors will be interested to see something of the effects of war on London, the rebuilding plans, and the switch-over to peace-time conditions in Britain's great industries. It is hoped to organize tours for this purpose and to show them, possibly by air trips, such industrial enterprises as shipbuilding yards, aircraft factories, and locomotive works. Special demonstrations of scientific inventions like radar and television may be arranged.

A suggestion has been made that a West End cinema should be set aside for the period of the Assembly in order to show outstanding British films free of charge to all holders of an Assembly pass.

It is hoped to enlist the cooperation of the W.V.S. to help our visitors on excursions to the London shops and on visits to places of special interest to them. Certain English families are proposing to open their homes in the evening to foreign visitors who wish to see something of English domestic life.

Cable and wireless have offered to transmit personal messages from delegates to their own homes free, provided that the country of destination also foregoes its charges.

The G.P.O. have agreed to mark the choice of London for the meeting place of the United Nations by stamping all letters posted in London during December with a specially designed United Nations cancellation mark.

The health of our visitors will be looked after by the provision of first-aid rooms at Church House and Central Hall, and by the preparation of a list of doctors recommended to any delegates who may require medical advice.

There will be no attempt at ostentatious entertaining. Our visitors will receive emergency ration cards with a leaflet explaining to what these entitle them and how the British rationing system works. It will be our endeavor to extend a warm welcome to every visitor, and at the same time not to send him or her away with a distorted impression of life in post-war England.

It is hoped that visiting journalists who so desire may be accommodated in the homes of London pressmen, thereby obtaining closer contacts and a better cross-section of London life than they would be likely to enjoy if left to themselves.

Educational and Cultural Conference

APPOINTMENT OF WILLIAM G. CARR ON SECRETARIAT

[Released to the press October 23]

William Benton, Assistant Secretary of State, announced on October 23 the appointment of William G. Carr to represent the Government of the United States on the conference secretariat at the conference to consider the creation of an Educational and Cultural Organization of the United Nations, which is scheduled to convene at London on November 1, 1945. This appointment was made in answer to the invitation of the British Government, serving as host to the conference, which has requested other governments to name officials to the international secretariat.

Dr. Carr is associate secretary of the National Education Association and secretary of its Educational Policies Commission. He is a graduate of Stanford University, where he also received the Ph.D. degree.

Dr. Carr is the author of a number of books on the subject of education for international understanding. His publications include: *Education for World Citizenship* (1928), and *Only by Understanding* (1945). He edited *New Frontiers in International Education* (1944).

FRANCIS M. CROWLEY AND MARK STARR TO JOIN U.S. DELEGATION

[Released to the press October 27]

At the invitation of the Department of State, Dr. Francis M. Crowley, dean of the Graduate School of Education, Fordham University, has accepted a place as technical expert on the American Delegation to the London conference on a United Nations Educational, Scientific, and Cultural Organization. Dean Crowley is one of the country's most eminent educators and further strengthens the Delegation.

Mr. Mark Starr, educational director for the International Ladies' Garment Workers' Union, A. F. of L., will join the American group in London as an adviser about November 10. He declined at first to accept the invitation tendered him by the Department of State because he could not leave

promptly with the rest of the Delegation, but now informs the Department he can leave early in November, thus missing only the first few days of the conference.

United Nations Food and Agriculture Organization

AGRICULTURAL COMMITTEE PANELS

The Agricultural Committee set up on October 22 the following panels to frame recommendations:

1. Rural Social Welfare
Headed by the representative of *France*.
2. Education, Extension, and Exchange of Scientific Information
United States
3. Production Research and Techniques
United Kingdom
4. Soil Resources Development and Conservation, which will include irrigation, drainage, erosion control, salinity control, and range management
New Zealand
5. Integration and Coordination of Agricultural Programs and Policies, Including National and International
United States
6. Credit Cooperatives and Related Matters
United Kingdom
7. Industrial Needs for Agriculture, Including Machinery, Fertilizer, and Pesticides
Belgium
8. Special Needs for War-Devastated Countries
Poland
9. Special Needs for Countries in Tropical and Sub-tropical Regions
India

SIGNING OF THE FAO CONSTITUTION

At the plenary session on the night of October 22, the Food and Agriculture Organization constitution was signed by Brazil, Colombia, Cuba, and Poland.

Release of French Assets in the United States And American Property in France

BY JAMES SIMSARIAN ¹

FREEZING REGULATIONS of the Treasury Department over French assets in the United States were substantially relaxed by the issuance of General License no. 92 by the Secretary of the Treasury on October 5, 1945. France is the first of the liberated countries of Europe and the Far East to have the assets of its nationals unblocked in this country. At practically the same time, the French Minister of Finance announced that controls over American assets in France are also being relaxed substantially.

Negotiations are now proceeding with the governments of the other liberated countries concerning the release of Treasury controls over the assets in the United States of their nationals.

There are no Treasury freezing restrictions remaining on current transactions with France as a result of the issuance of General License no. 92 and the modification of General Ruling no. 5A. The Treasury Department modified General Ruling no. 5A on October 5 to lift import and export controls over checks, drafts, bills of exchange, and other payment instructions being sent to or from France.

Beginning on April 10, 1940 with Norway and Denmark, Treasury freezing controls were instituted with the issuance of Executive Order 8389 by the President to protect the assets in the United States of countries being overrun by the enemy. French assets were subjected to Treasury controls on June 17, 1940.² Treasury restrictions have been applicable to the assets in the United States of the enemy countries and the four neutral countries in Europe—Portugal, Spain, Sweden, and Switzerland—as well as the countries occupied by the enemy. In addition to extending protection to

the assets of the occupied countries, the freezing restrictions of the Treasury Department have been designed to prevent the enemy from securing any benefit from any blocked assets in this country and to protect American institutions from conflicting claims to these assets.

The French Minister of Finance, in a letter dated September 26, 1945 to the Secretary of the Treasury, recognized that, in the exercise of its controls over French assets in the United States, the Treasury "Department has been inspired by the principles and aims which were solemnly set forth in the United Nations Declaration of January 5, 1943, and Resolution No. VI of the United Nations Monetary and Financial Conference". The French Minister at the same time recognized that the application of these principles "has effectively prevented the enemy from looting French assets in the United States during the war to the great detriment of the common enemy and to the advantage of the French people."

Treasury controls over French assets in the United States are not actually released with respect to assets in which persons in France had an interest on October 5, the date of the issuance of General License no. 92, until the Government of France certifies that such assets are in fact French-owned. This certification is required in order to preclude the release of assets which are held in French names but are in fact enemy-owned. The Government of France proposes to check the beneficial ownership of these assets prior to their certification. Assets belonging to French nationals who are not within France or within any other blocked country

¹ Mr. Simsarian is Assistant Chief of the Division of Economic Security Controls, Office of Financial and Development Policy, Department of State.

² BULLETIN of June 22, 1940, p. 682.

are effectively unblocked without certification except that property in the United States belonging to corporations and other organizations, wherever located, which are owned by persons in France will continue to be blocked until certified by the French Government.

The French Minister of Finance on September 26, 1945 announced the following modifications of restrictions over American property in France:

1. Sequestration measures imposed during the German occupation of France on property, rights, and interests belonging to nationals of the United States have been removed in all important particulars, and any that still remain will immediately be terminated.

2. Except for particular cases in which French authorities have reason to believe that the maintenance of control is necessary to prevent transfers of assets in which an enemy might have an interest or to avoid the completion of transactions which might be directly or indirectly to the benefit of an enemy, French authorities, with regard to assets in the franc zone of nationals of the United States, will abolish all restrictions imposed for the purpose of controlling property in which an enemy interest might have existed.

3. Nationals of the United States holding assets in France shall be authorized to administer such assets and their income, within the framework of the controls and regulations of the French Government, without the application of measures to them which would be discriminatory in relation to nationals of any other country.

4. The Ministry of Finance intends to pursue a policy of liberalizing exchange-control restrictions, to the fullest extent that French dollar resources will permit, with respect to transfers of funds from the franc zone to the United States.

5. The Ministry of Finance will authorize persons residing in the franc zone who, without having violated French law, owe dollar obligations to any governmental agency, individual, or firm in the United States to discharge such obligations when they are due; and, if necessary, it will authorize such persons to purchase dollars for this purpose.

6. The Ministry of Finance is now prepared to authorize current payments from the franc zone to the United States of profits, dividends, interest, royalties, and payments for purposes of duly authorized commercial transactions, and other pay-

ments relating to current business, including balances accrued from the same sources during the war.

7. The Ministry of Finance will examine carefully requests for transfers of capital from France to the United States when transfers of that type might serve a useful economic or commercial purpose and when transfers of small amounts are of substantial importance to the interested parties.

Allied Commission on Reparations for Germany

APPOINTMENT OF JAMES W. ANGELL AS UNITED STATES REPRESENTATIVE

[Released to the press October 23]

James W. Angell has been appointed by the President as American representative on the Allied Commission on Reparations—Germany. His predecessor on the Commission was Edwin Pauley, who is now devoting his full time to the problem of Japanese reparations.

As Assistant Administrator of the Foreign Economic Administration, Mr. Angell has actively participated in the formulation of United States policy on German reparations. He was educated at Harvard University, where he received his A.B. and Ph.D. degrees. From 1924 until World War II he was a professor of economics at Columbia University. He is internationally known for his economic writings. Since the war he has served full time in Washington, first as Chief Economist of the Office of Civilian Requirements, War Production Board, and more recently in the FEA. During the 1920's he made a first-hand study of conditions in Germany and in 1929 wrote *The Recovery of Germany*, a book dealing with reparations and industrial recovery of Germany after World War I. His father, James Rowland Angell, was the late president of Yale University.

A delegation headed by Mr. Angell will leave shortly for Paris and Berlin to join with other Allied members of the Commission on Reparations in implementing the Potsdam protocol.

Dudley M. Phelps, Acting Director of the Office of Financial and Development Policy and Chief of the Division of Foreign Economic Development of the Department of State, has been ap-

pointed as deputy to Mr. Angell. Mr. Phelps received his Ph.D. degree in economics from the University of Michigan in 1931 and is now professor of business administration in that institution, on leave of absence. He became associated with the Department of State early in 1942 and has since served in various capacities both in Washington and abroad. Early in the present year he was a member of the Rosenman Mission¹ which surveyed the urgent needs of the liberated countries of western Europe for goods and services from abroad and also needs of a financial character for the reconstruction and restoration of their economies.

Release of Short-Wave Broadcasting Frequencies

[Released to the press on October 22]

The Department of State released on October 22 three of the Government's short-wave broadcasting frequencies so that the American press associations can meet the present emergency and secure access to the additional radio channels required for sending American news to Japan and the Far East generally.

This action is in line with the Department's policy to help American commercial enterprises which are distributing American information abroad.

The Department recently called in Ralph McGill, editor of the *Atlanta Constitution*, to consult with Ferdinand Kuhn, Director of the Interim International Information Service, and Assistant Secretary of State Benton in a study of the relations of the Government with the American press associations, including advice on barriers impeding their operation abroad.

The question of press communications is one of the topics scheduled for discussion between American and British authorities at a telecommunications conference to be held in Bermuda next month.

The radio frequencies released by the Department of State today are part of a pool of frequencies used by the Government during the war for short-wave broadcasting. Jurisdiction over the frequencies was transferred from the Office

of War Information to the Department of State by order of President Truman on August 31, 1945.

The text of the letter from the Department of State to the Federal Communications Commission, releasing the frequencies, follows:

OCTOBER 22, 1945.

DEAR PAUL:

This will confirm our telephone conversation of October 19.

Growing out of the present emergency, and in line with the great and urgent importance of providing to the American press associations communication facilities for enlarging the transmission of news to the Far East, the State Department is very happy to rearrange its schedule of shortwave broadcasting in order to release three frequencies.

This move on the part of the State Department may illustrate my feeling that the Government should do what it can to support the press associations and other privately operated organizations in their efforts to disseminate the news about America throughout the world.

Very sincerely yours,

WILLIAM BENTON

The Honorable PAUL A. PORTER,
*Chairman, Federal Communications
Commission,
Washington, D. C.*

Far Eastern Advisory Commission

APPOINTMENT OF FRENCH REPRESENTATIVE

[Released to the press October 23]

The Department of State has been informed by the French Government that it has appointed P. E. Naggiar, former French Ambassador to China and Russia, as its representative on the Far Eastern Advisory Commission.

APPOINTMENT OF NETHERLANDS REPRESENTATIVE

[Released to the press October 23]

The Department of State has been informed by the Netherlands Government that it has appointed Dr. A. Loudon, Netherlands Ambassador to the United States, as its representative on the Far Eastern Advisory Commission.

¹ BULLETIN of May 6, 1945, p. 860, and July 8, 1945, p. 55.

U.S. Assistance to the Philippines

Statement by THE PRESIDENT

[Released to the press by the White House October 25]

Since President Osmeña's arrival in Washington early this month, I have had several conferences with him, Secretary Ickes, and High Commissioner McNutt.

All Americans feel a very warm friendship for the Filipino people, who stood by us so heroically throughout the war and who now are in dire need of help. I consider a program of assistance to the Philippines essential to our relationship with the people there.

We have made some progress, and further conferences will be held before President Osmeña and High Commissioner McNutt return to Manila.

Recommendations by THE PRESIDENT

[Released to the press by the White House October 26]

The President has sent the following letters and memorandum to the High Commissioner to the Philippines and the heads of various Government departments and agencies, recommending specific steps to carry out the United States program of assistance to the Philippines:

To the High Commissioner to the Philippines:

In the provinces near Manila thousands of sharecroppers organized some years ago to demand a more equitable division of the product of their labor. For several years there was no effective solution of the problem. During the war the tenants organized a guerrilla army which reportedly did good work against the enemy. After the enemy was defeated in their localities, they did not disband and today they constitute a special problem which threatens the stability of government. On the other hand, their legitimate claim to fair treatment and the assistance they rendered in resistance to the enemy require that they be not dealt with in a ruthless manner.

I therefore request you to order a prompt investigation of agrarian unrest in the Philippines with the cooperation of the Commonwealth Government, and to recommend the remedies or reforms which ought to be taken by the Commonwealth

government and by the United States Government.

To the Alien Property Custodian:

The United States Army has found and taken custody of considerable valuable property belonging to enemy nationals in the Philippines. Enemy property includes agricultural leaseholds held through "dummies". It is desirable that all property in which the enemy has or had interest should pass under the civil control of the United States government which is responsible for its custody under the usually accepted terms of international law.

I therefore direct that the Alien Property Custodian vest title in all enemy property in the Philippines and make lawful disposition of it. Should these operations extend beyond the date of independence, I shall endeavor to arrange by treaty, or otherwise, for the completion of the processes of vesting and liquidation.

To the Attorney General:

While the mass of the Filipino people and many of their leaders remained staunchly loyal during invasion and rendered invaluable assistance to our arms, it is necessary to admit that many persons served under the puppet governments sponsored by the enemy. Some of these, especially those engaged in health and educational work, remained at their posts of duty with an evident intention to sustain the physical and cultural welfare of their people. Others of the clerical and custodial services continued in office in order to earn their accustomed livelihood and participated in no way in enemy policy. But, regrettably, a number of persons prominent in the political life of the country assisted the enemy in the formulation and enforcement of his political policies and the spread of his propaganda. Others in the field of trade and finance seized upon the occasion to enrich themselves in property and money at the expense of their countrymen.

Reports have appeared in the press which indicate that a number of persons who gave aid and comfort to the enemy are now holding important offices in the Commonwealth government. Reports further indicate that the Commonwealth government is only beginning to investigate,

charge, and try the offenders. It is essential that this task be completed before the holding of the next Commonwealth general election.

Considering that disloyalty to the Commonwealth is equally disloyalty to the United States, I request that you send experienced personnel to the Philippines to discover the status and to recommend such action as may be appropriately taken by the United States. Such recommendations should be made through the United States High Commissioner to the Philippine Islands. I am further requesting that the Secretaries of War and Navy direct the staffs of their intelligence sections to cooperate with you and make available to you all records and evidence bearing on this important problem.

Representatives of the Federal Bureau of Investigation assigned to the Philippines should be directed to report through the United States High Commissioner in connection with this and other operations in the Philippine Islands.

To the Secretary of War:

As a result of prolonged enemy occupation of the Philippines the law enforcement agencies of the Commonwealth Government were seriously disorganized. Bearing in mind the fact that the War Department was responsible originally for the organization of the Philippine Constabulary, which had such an excellent record prior to the war, I believe that the War Department should assist in every possible way by the assignment of officers and men and the transfer of necessary equipment in reorganizing the Constabulary on a non-military basis.

President Osmeña has advised me that the War Department has already been of assistance in this task and that considerable progress has been made by the Commonwealth Government. Both he and I feel, however, that continued assistance until the reorganization is completed would be helpful.

I ask that this continued assistance be extended to the Commonwealth Government so that law and order may be fully restored in the shortest possible time, and that you submit a report to me as soon as a program has been formulated.

Memorandum to the Secretary of the Treasury and the Secretary of War:

It is my understanding that due to a shortage of legal currency in certain areas in the Philippine Islands early in the war and continually thereafter until the reoccupation of the islands by our forces,

a considerable quantity of emergency currency was issued, some by properly authorized officers of the United States Government and some by representatives of the Philippine Government. It would appear that to the extent that this currency was used either directly or indirectly for the prosecution of the war, its redemption is a responsibility of the United States Government.

I request that the War and Treasury Departments make a careful analysis of this situation and submit recommendations as to the necessary steps which should be taken to discharge the obligations that are properly responsibilities of the United States Government. Any arrangement proposed for the redemption of this currency should include provisions designed so far as possible to avoid any windfall to speculators.

To the Secretary of the Treasury:

During the period of their military invasion of the Philippine Islands, the Japanese issued an unbacked fiat peso and tried unsuccessfully to force its parity with the legitimate Philippine peso. The issue was so unlimited that it came to be worthless, and upon our landing in Leyte it was officially and quite properly declared not to be legal tender. However, during the invasion period it had a rapidly declining value as a medium for local trade, and numerous contracts which involved the enemy currency were settled or entered into. While it would be against the public interest to validate completely these contracts and settlements, a measure is needed to serve as a standard for judgments between debtors and creditors.

Since you have representation in the Philippines through a mission of the Foreign Funds Division, I request that you cooperate with the High Commissioner and the Commonwealth Government in drawing up a schedule showing the relative trend of the purchasing power and exchange rates of the Japanese Philippine peso during the period of invasion.

To the Surplus Property Administrator:

Prolonged enemy occupation and active warfare in the Philippine Islands have left in their wake a tremendous problem of relief and rehabilitation. It seems apparent that there must be large supplies of surplus government property now available which could be used to great advantage in the Philippines in the program which must be undertaken there by the Philippine Government. Such

items as construction equipment, medical supplies and hospital equipment are badly needed.

Where such supplies can be used directly by the government of the Philippine Commonwealth, I believe this Government should make the supplies available without cost to the Commonwealth. It might perhaps be desirable to arrange the transfer on such terms as would prevent the property from being later offered for sale to the general public.

Since there is at present no legal authority to effect such transfers, I believe we should seek such authority.

To the Administrator of Veterans' Affairs:

In connection with a general program of re-establishment of orderly government in the Philippine Islands and the discharge of just obligations of the United States Government therein, I request that the Veterans' Administration make a careful analysis of all phases of past and current benefits payable in the Philippine Islands to American and Filipino veterans, and submit to me at the earliest possible date a report which should be accompanied by recommendations for any new legislation which may be required.

To the President of the Export-Import Bank:

In connection with the rehabilitation of the Philippine Islands and the restoration of the normal economic life of the Islands, I believe that the Export-Import Bank should participate in this program. It should, it seems to me, be possible to work out a program to operate in the Islands on a purely business basis which would be of great assistance in restoring normal economic conditions.

May I have your comment on this suggestion, and in the event that you feel that the bank is at present without legal authority to function in the Philippines, your suggestions as to steps that might be necessary to permit it to do so?

To the Administrator of the War Shipping Administration:

In connection with the rehabilitation of the Philippines and the restoration of normal economic life of the Islands, I am very anxious that all possible steps, consistent with our obligations elsewhere, be taken to supply adequate shipping to the Philippine Islands.

I would be glad to have a statement from you as to the plans of the War Shipping Adminis-

tration and the amount of tonnage which is expected to be available for Philippine trade, particularly in the near future.

To the Chairman of the Reconstruction Finance Corporation:

The almost complete lack of consumers goods in the Philippines—goods ordinarily imported from the United States—has brought about serious price inflation and black markets which cause great distress among the people. An excellent start has been made by the Foreign Economic Administration in cooperation with the War Shipping Administration to eliminate inflation by facilitating normal import trade.

You are, therefore, requested to direct the United States Commercial Company to use resources and personnel within its jurisdiction to continue and to advance the Philippine program which it has undertaken, and, where necessary, to sell goods on credit terms not exceeding two years in duration.

Control Council for Japan

COMMENT UPON SOVIET POSITION

[Released to the press October 25]

In commenting upon the Soviet position regarding a Control Council for Japan at his press conference yesterday, the Secretary of State was referring only to the original Soviet position about which he had been questioned.

The original Soviet proposal of September 24 concerning control machinery for Japan, presented to the Council of Foreign Ministers and referred to and reaffirmed in Mr. Molotov's letter of October 1 to the Secretary of State, appeared to propose a Control Council for Japan which in important aspects would closely resemble the Control Council for Germany.

The proposal provided that in the event of disagreement among the members of the Council the question at issue should not be decided by the chairman but should be referred back to the governments for decision.

Recent diplomatic exchanges indicate that the Soviet Government is not now insisting on this position. Because discussion of the question is continuing, further comment at this time would not be helpful.

The Inter-American System

Address by ASSISTANT SECRETARY BRADEN¹

[Released to the press October 26]

MR. CHAIRMAN, EXCELLENCY, GOVERNOR EDGE, DISTINGUISHED GUESTS, LADIES, AND GENTLEMEN: To be in this distinguished company and to address so imposing an audience are honors for which I am deeply grateful. Also I am proud to assist at this opening seminar, "New Jersey Meets Her World Neighbors", which is so appropriately held, under the auspices of the New Jersey Education Association, at one of the oldest and most respected institutions in this country—Rutgers University.

It is my purpose this evening, in summary fashion, to review for you a few of the more salient developments in our inter-American relations. By doing so I trust that I may induce this splendid gathering to agree with me that despite all the obstacles and set-backs naturally to be expected in every undertaking, the 21 American republics have evolved a reasonably just and practical method for living together. At least foundations have been laid on which a solid edifice of international friendship and cooperation can successfully be erected, providing all hands in good faith apply their best efforts to the task.

There are, of course, important differences in language and origin, in economic and social conditions, in climate, and in many other ways among these New World countries. Some of these divergencies form difficult barriers to mutual understanding; whereas others, such as those in the field of culture and in natural wealth, can be employed to benefit all concerned.

Conversely, the American republics in many cases enjoy geographical proximity and complementary resources; they share a pioneer tradition and similar histories in their struggles for independence; and above all, they have in common an underlying aspiration to be governed by those of their own choosing—and for liberty.

That these aspirations have not been and are not yet always realized is not the point. We may be imperfect democracies in a world of imperfect governments. That also is not the point. The vital thing is that the urge toward human liberty

is there, and that this urge has produced throughout the years an improvement in man's relationship to man, which holds promise for the future.

This longing for freedom and equality has passed from the national to the foreign field. Thus, at the University of Buenos Aires in 1936, I was able truthfully to say that the ideal of the inter-American system is "the application of democracy to international relations". This tenet was most cogently expressed and converted into United States policy in 1933 by our late, revered President, Franklin D. Roosevelt, when he dedicated this country to the principle of the good neighbor: "The neighbor who resolutely respects himself and, because he does so, respects the rights of others—the neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors."

This is a policy of *respect*; first, self-respect, and then mutual respect, since we cannot hope for the latter unless we have the former. To work it must be reciprocal—a two-way street.

While the good-neighbor policy governs all our international relations, it is especially associated with our relations with the other American republics where it is a cornerstone, comparable in importance only to that foundation of our policy—the Monroe Doctrine.

The Doctrine has on occasion been widely criticized, largely because of the many misconceptions and malinterpretations which have distorted its true intent. The Monroe Doctrine was formulated because the independence of the United States was threatened when, upon the Congress of Vienna, the absolute monarchs of continental Europe formed the so-called "Holy Alliance". One of those kings sought to reconquer his American empire. This constituted a threat to the security of the United States and on December 2, 1823 Monroe declared:

"... we could not view any interposition for the purpose of oppressing (the newly independent countries), or controlling in any other manner their destiny, by any European power in any other light than as the manifestation of an unfriendly disposition toward the United States."

¹ Made at Rutgers University, New Brunswick, N. J., on Oct. 26, 1945.

The Monroe Doctrine was not the creation of any individual or group; it voiced the thoughts which had been maturing in the minds of many of our statesmen for more than 30 years.

In essence, President Monroe proposed:

(1) To prevent in this hemisphere any form of colonization, acquisition of territory, political control, or interference on the part of European powers.

(2) Non-intervention of the United States in the then existing Spanish colonies, or in those of other European nations.

(3) That this declaration, unilaterally enunciated by the United States, was made to guarantee its own protection and security.

We have employed the Monroe Doctrine frequently to insure the security of the Americas. But, as in all human endeavor, its application has been by trial and error. While we attempted to protect the peace and security of America, we were frequently helpless to prevent certain European countries from flagrantly infringing the rights of our sister republics. This fact, combined with the alleged spirit of condescending superiority attributed to the Doctrine, unhappily caused the other American republics at times to lose sight of the occasions when they had benefited therefrom. For these reasons, they sometimes felt a latent irritation against the United States for having promulgated a doctrine which, in their opinion, detracted from their sovereignty and dignity.

But, I repeat, the essential purpose of the Monroe Doctrine was the defense of the national political liberty of the United States—and of the other American countries.

Towards the middle of the nineteenth century there emerged in the political sphere a new factor of primary importance. This factor was the increase of surplus wealth and such wide distribution thereof as to enable its holders frequently to influence and, at times, dictate the policies of their respective governments in benefit of their private interests.

The industrial revolution of the nineteenth century, the inventions it brought, the new technical methods which rapidly followed, and above all, the expansion and improvement of communications progressively increased the world's wealth. This greatly augmented availability of wealth created for the modern world two of its most complex and enduring problems: (a) The over-

flowing of surplus wealth beyond national frontiers and (b) its distribution within each country. The first brought an intensified nationalism which, in turn, fomented a somewhat paradoxical corollary—imperialism. The internal distribution of wealth created the political and economic problems around which the world of our day still revolves and upon the proper and timely accommodation of which the future tranquillity of mankind depends.

The impact of this new wealth on the international relations of the United States was christened "dollar diplomacy". Financiers shortsightedly demanded that their foreign investments and dividends be guaranteed by guns and lives. The American public, alert to the implication of this, called it the "big stick" policy. This so-called policy inaugurated in the name of security and "business" was anything but "good business". It did not contribute to the security of the United States. There followed intervention for economic ends in several of the other American republics. These are well known to all. It is fair to say, however, that in some cases these interventions were not for our own selfish benefit but, rather, to prevent non-American nations from taking unilateral action in the Western Hemisphere. This procedure became known as the Theodore Roosevelt corollary to the Monroe Doctrine.

The war with Spain in 1898 marked a decisive point in so-called American imperialism. The United States, which had helped Cuba to attain her independence, acquired the right of intervention in that new nation—a right incorporated in its constitution as the Platt Amendment, which later was abrogated voluntarily under President Franklin D. Roosevelt. At the same time, we assumed responsibility for the Philippine Islands, whose brave people we are proud to have helped all along the road towards complete independence.

The first World War really ended the nineteenth century—a century which started with glorious ideals of freedom and closed in cynical materialism. Yet in the midst of that materialism high moral standards of universal application endured and were given expression by Woodrow Wilson in these words:

"The day of conquest and aggrandizement is gone by; so also the day of secret covenants entered into in the interest of private governments

and likely at some unlooked-for moment to upset the peace of the world."

Unfortunately, if World War I spelled a lowering of public conscience, the post-war period was no better and Wilson's concepts were largely disregarded.

This lack of moral integrity contributed to the establishment of Fascism and the ideology of aggression. The non-Fascist world was stricken with that disease called "appeasement"—which, again, is nothing more than the lack of moral integrity. The 20 years between the two wars were only a truce, during which the world carried on a secret struggle. The inability of world leaders to satisfy humanity's common aspirations of peace, liberty, decency, and justice again resulted in catastrophe.

We contributed to this catastrophe by an aloofness prompted by fatigue from a war fought for reasons which, being more acute in Europe, at times produced the illusion that they did not exist in the Americas.

Even under these unfavorable circumstances constructive forces persisted here. The United States, through Secretary of State Stimson, assured the American republics that the Monroe Doctrine would not be invoked to uphold intervention in the domestic affairs of our southern neighbors, and we have consistently upheld this principle ever since.

Shortly thereafter the good-neighbor policy was born. We set to work to institute a series of radical changes in world, and particularly in inter-American, relations. The United States marines were withdrawn from Haiti. Financial control of the Dominican Republic by American officials was curtailed and finally ended. The Platt Amendment was abrogated in 1934 and was replaced by a new treaty recognizing the full sovereignty of Cuba.

In the Montevideo conference in 1933, at which I had the honor of participating as a delegate under Secretary Hull, our government agreed with the other nations that "No state has the right to intervene in the internal or external affairs of another."

With the banishment of force and intervention, morality and law became the supreme rules governing relations between the American countries. The juridical equality of American states was established.

These principles were confirmed at the Buenos Aires conference in 1936 and were formalized in

the Declaration of American Principles¹ at the Lima conference on the eve of the second World War. This Declaration ranks as one of the great achievements of this continent. The preamble expresses high aspirations of humanity. It reads:

"The need for keeping alive the fundamental principles of relations among nations was never greater than today; and

"Each state is interested in the preservation of world order under law, in peace with justice, and in the social and economic welfare of mankind."

Three of the eight articles of this Declaration merit quotation:

"1. All differences of an international character should be settled by peaceful means.

"2. The use of force as an instrument of national or international policy is proscribed.

"3. Relations between States should be governed by the precepts of international law."

Thanks to these solid foundations the American republics were able at the Panama, Habana, and Rio de Janeiro meetings successfully to adapt our collective system to wartime needs. Then with the approach of victory the inter-American conference at Mexico City last March produced the important resolution known as the Act of Chapultepec. This accord will shortly be implemented by a formal treaty. At Mexico City there were also economic and social declarations of great import, which insisted that man's social well-being must be the first objective of nations' efforts.

The peoples of the 21 American republics share a common aspiration for liberty and justice, for order and self-government. In a word, they desire democracy. While these objectives have not been attained in full measure anywhere, they have been accepted by all as the basic principles which they will individually and collectively strive to make effective. They have realized that they cannot hope to succeed in those particulars unless this hemisphere can be made secure against aggression from both within and without. As a result, the inter-American system has come into being and has functioned with much success. We have made a good beginning. If we can and will improve upon that beginning, the future will be bright, and the inter-American system will form one of the strongest pillars of world organization for peace and progress.

¹ BULLETIN of Dec. 31, 1938, p. 494.

The Cultural-Relations Scene in South America

BY HERSCHEL BRICKELL ¹

FIVE YEARS AGO if someone in the Department of State had decided to make a round tour of South America in search of evidence of the operation of the good-neighbor policy, his trip would have been altogether different from one I made recently.

The first difference would naturally have been in flying time. Almost by the minute Good Neighbors are becoming nearer neighbors, and within a week after V-J day, which found me in Montevideo, air schedules began to improve, before one of the new planes had gone into service.

Now it is possible to fly from Miami to Buenos Aires in three days—two days less than it used to take for a boat trip between New York and the nearest South American ports. Night flying will halve this time, new planes will reduce it still further, and when jet propulsion arrives the metropolises of North and South America will be as near in point of time as Chicago and San Francisco are today, or nearer.

Now it is possible to fly to Balboa from Miami at night and to be in Lima late the next afternoon. The regular schedule from Bogotá, once one of the world's most inaccessible capitals, to Miami is a day, and this will shortly be cut by several hours. To fly to Rio de Janeiro for a two weeks' vacation will be commonplace tomorrow, and so the fantastic story of the drawing together of peoples runs on.

As important as these facts are in connection with our efforts to be friends with our neighbors,

they do not point up the really important differences between what an observer would have seen five years ago and what I saw the other day. Five years ago, this putative observer would not have found a cultural attaché working in South America. He would have discovered a few scattered cultural institutes, locally supported and sponsored, but not one representative collection of our books.

He would, if he had searched diligently enough, have encountered one of our college professors or research workers teaching or digging, but he would not have met, as a familiar feature of many college landscapes, a large number of our most distinguished teachers at work as members of the faculties of leading universities there.

He would have found a few hundred students of English in the institutes then in existence instead of the thousands who now cram all the available lecture halls, listen eagerly to courses by radio, and never overlook a chance to practice what English they know on anyone who looks like a North American tourist.

He would have found, five years ago, a certain number of graduates of our universities in each community, but they were far outnumbered by young people who had been educated in France or England. Today, after four years of operation of a student-exchange program that has brought hundreds of boys and girls to do graduate work here, I saw so many of these new friends in every community I visited I did not try to count them.

I made the long swing around, Miami to Buenos Aires, Buenos Aires across to Santiago, and home by the Pacific side, in the excellent company of Watson Davis, Director of Science Service. We

¹Mr. Brickell is Assistant Chief, Division of Cultural Cooperation, Office of International Information and Cultural Affairs, Department of State.

had two things very much in mind: one of them Mr. Davis' special interest, since Science Service has the contract for the translation program of the American republics branch of the Division of Cultural Cooperation; the other mine.

In the translation program we are doing what we can to bring about a freer interchange of the scientific and literary products of the two continents by the use of whatever methods lie at hand or can be invented. Mr. Davis wished to study the Buenos Aires publishing situation at first hand, since Buenos Aires is now second only to New York as a New World publishing center; and I to find out especially about the status of our cultural-relations efforts with that rich and important country.

I should like to summarize my impressions of my three weeks' stay in the Argentine Republic by saying that I had the delightful experience of being fairly and courteously treated by every Argentine of every class with whom I came in contact. I put this down as very good evidence that there is in general the most friendly feeling possible toward citizens of the United States in a country that has often puzzled us, and still does. (The Argentines insist they are too much like us to be understood easily.)

One of the oldest of all cultural institutes in the other American republics is the Instituto Cultural Argentino - Norte Americano, or Icana. It was founded as the result of the combined efforts of Argentine friends of the United States and of members of the local North American colony some time before our own institute program got under way. Icana owns its building and has 4,000 students of English. A part of its faculty separated itself from the parent institution not long ago and started another institute, which has 1,200 students! I saw nothing in the Icana beehive of activity that impressed me so much as the children's classes. dozens of small Argentines learning to speak English, while many of their parents were busy with the same task in other classrooms.

South America has many fine cities, including the incredible, bewitching, and fantastic Rio de Janeiro, which can only be described as too beautiful. It is one of the places that has to be seen to be believed, and even after it has been seen it has the effect of a singularly charming backdrop which may vanish at any moment. São Paulo has

a skyline like any large city in the United States, and such places as Porto Alegre and Belo Horizonte are larger and handsomer than one had somehow expected. But Buenos Aires, as the Argentines I used to know in Europe and especially in Spain used to say, claims its right to be listed among the great cities of the world.

Right now, to be sure, it is the largest world capital so little touched by World War II, and this makes it seem very rich and well kept by comparison with our own war-weary municipalities. But even forgetting the full shop windows and the shining automobiles, shining only because they have been given good care, and the butcher shops and the restaurants, where the cooking is Franco-Italian of excellent quality, Buenos Aires is a singularly handsome and substantial city. If a fair measure of a people's culture is the kind of cities it produces, then the Argentines do not need to doff their bonnets to anyone. Even the subway is a model of beauty and comfort.

This bird's-eye view of a continent is no place to go into details about the publishing industry in Argentina. But anyone who knows about the business of manufacturing and selling books, which is an interest of both Watson Davis's and mine, would be bound to be impressed by the size, the scope, and the efficiency of the Buenos Aires arrangements. Old and famous Spanish houses such as Espasa of Madrid and Salvat of Barcelona have made their contribution to this situation, it is true, but much of the enterprise and ingenuity is purely Argentine.

As an example for indicating the extent of the translation of our books on a purely commercial basis, we were talking one day to a group of scientists and educators about some volumes on pedagogy and related subjects which they thought we ought to help to have put into Spanish. Within a day or so we had found very nearly the whole list already well translated and printed!

In Brazil, to back-track for a moment, we have cultural attachés stationed at Rio, São Paulo, and Porto Alegre. We have successful cultural institutes in these three cities and also in Curitiba, Fortaleza, Bahia, and Florianópolis. The one in São Paulo, with 2,500 students of English, will shortly move into a mansion with almost a city block of grounds around it, and it expects to have at least 3,000 students as soon as this space becomes

available. Like all our cultural institutes, it will have an excellent library of our best books and also a full selection of our magazines.

In Argentina, Rosario and Córdoba have flourishing "Icanas", housed in bright, cheerful buildings that symbolize in their atmosphere as much as in their decorations the friendship of the people of the Argentine with the people of the United States. Several other Argentine cities, such as Santa Fé, Mendoza, and Tucumán, would like to have similar "Icanas" and no doubt will have in time.

In Santiago there are both a cultural attaché and a successful cultural institute. In a few other places such as Concepción and Valdivia there are English classes which we sponsor, and I heard exactly the same kind of enthusiastic reports from the teachers in these places as those that came to my ears from the workers in the institutes in the capital. The general tenor of these reports is unvarying, namely that the demand for English lessons and for information about everything in the United States far outruns any available supply of teachers or materials.

There would have been considerably more time to study the situation in Lima if it had not been that a late start from Santiago found us spending the night in Arica, where we saw a large Chinese colony celebrating the victory over Japan. In Arica, a picturesque port from which an extraordinary railroad climbs its winding way to La Paz, Bolivia, mounting from sea level to an elevation of some 14,000 feet in less than 24 hours, there were no signs of our cultural-relations activities, although if we opened an institute there tomorrow its English classes would probably all be filled the first week. Lima, like Santiago, has a cultural attaché and a large and flourishing institute with all the necessary equipment and every type of cultural activity: a library, classes in English and Spanish, educational motion-picture equipment, and lectures.

At Cali, the capital of the fertile Departamento del Valle in Colombia, my companion, Watson Davis, and I went separate ways: he to Mexico in the interests of Science Service and more translations, and I to catch my breath and to see some of the friends I left behind when I gave up being a field worker to become a cultural attaché. It seemed somehow symbolical of a happy and satisfying journey that one of our returned students

was waiting to greet me at the airport and that the time I spent waiting for the plane to Panama two days later was passed in discussing with one of our former travel grantees the exciting plans for a modern agricultural college, modeled after similar institutions in the United States.

If we could increase every phase of our cultural-relations program fivefold, I believe we should be considerably short of what the other American republics want as badly as they need. Everywhere I heard the anxious question: Are you going ahead with what you have so well begun, or are you going to forget us now that the war is over?

It is no exaggeration to say that upon the answer to this question hinges much of the final success or failure of the good-neighbor policy.

Economic Agreements Between The U.S.S.R. and Hungary

The Department of State told correspondents that it had been informed some time ago that the Soviet and Hungarian Governments were negotiating a one-year commodities-exchange agreement and a five-year economic-collaboration agreement. Correspondents were told that it was both natural and right that those two countries should seek to make mutually beneficial trade agreements and prepare the way for normal economic intercourse. The Department has felt that, in the case of Hungary, as well as of other ex-satellite states, the conclusion of any long-term economic agreement of substantial scope during the armistice period was a matter of concern and responsibility for all three signatories of the respective armistice agreements and of the Crimea declaration on liberated Europe. That declaration stated that the three principal Allies would concert their policies with the view to assisting liberated countries to solve their pressing political and economic problems. The Department has accordingly expressed this view to the Soviet and British Governments and has stated that this country would be glad to discuss with them the formulation of a program of economic collaboration to assist the economic recovery of Hungary.

Resumption of American Business Operations in Pacific Area

[Released to the press October 26]

Prompt resumption of American business operations in the Pacific area is expected, the Department of State announced on October 26 in summarizing the steps taken to facilitate it.

Regular steamship service between the United States and the Far East will be resumed after November 1, with the lines accepting private shipments. Air transportation, now confined to service by way of India, will soon be available across the Pacific. At the request of the Department of State, the War Department has agreed whenever possible to have food, quarters, and local transportation furnished to American businessmen traveling in the Far East, when such accommodations are not obtainable in the usual way.

Communications have been reestablished with principal cities on a commercial basis, and efforts are being made to bring about the reestablishment of banking services. American consular officers are on duty in the principal cities of China and at Hong Kong, Manila, and Singapore.

Since the presence of representatives of American firms is recognized as necessary to the restoration of trade, the Department has been granting passports to these representatives since shortly after V-J Day. The Chinese Government has authorized its consulates in this country to grant visas to American businessmen without reference to Chungking, and this cooperative act has greatly speeded the trader on his way.

Living and business conditions in the Far East are not yet normal, according to reports received from the Department's representatives, and the returning American businessman is faced at times with shortages and inconveniences, but these are, at the same time, looked upon as indications of the need for his return. It is the Department's policy as John Carter Vincent, Director of the Office of Far Eastern Affairs recently pointed out, to encourage and facilitate the reestablishment of American business in China. "Probably not with all the speed desired," Mr. Vincent said, "but with all the speed we can generate, we are endeavoring to get businessmen back into China for their sake and for China's sake".

James C. Dunn To Return From London

Statement by THE SECRETARY OF STATE

[Released to the press October 25]

I have asked Assistant Secretary of State James C. Dunn, who is serving as my Deputy on the Council of Foreign Ministers, to return temporarily to the Department of State. Mr. Dunn will leave London about November 4 and during his absence Ambassador Winant will carry on as my Deputy.

PRESIDENT TRUMAN—Continued from page 660.

Assume that the United States and Japan both had had a supply of the bombs on December 7, 1941. Which would have survived?

Suppose that both England and Germany had had the atomic bomb in September of 1940 during the "Blitz" over England. Which country would have been destroyed?

The answer is clear that the atomic bomb is of little value without an adequate army, air, and naval force. For that kind of force is necessary to protect our shores, to overcome any attack, and to enable us to move forward and direct the bomb against the enemy's own territory. Every new weapon will eventually bring some counterdefense against it. Our ability to use either a new weapon or a counterweapon will ultimately depend upon a strong army, navy, and air force, with all the millions of men needed to supply them—all quickly mobilized and adequately equipped.

I urge that the Congress pass this legislation promptly—while the danger is still fresh in our minds—while we still remember how close we came to destruction four years ago—while we can vividly recall the horrors of invasion which our Allies suffered—and while we can still see all the ravages and ruin of war.

Let us not by a short-sighted neglect of our national security betray those who come after us.

It is our solemn duty in this hour of victory to make sure that in the years to come no possible aggressor or group of aggressors can endanger the national security of the United States of America.

Foreign Trade Agreements: Regulations for Public Notice And Presentation of Views

[Released to the press October 26]

Executive Order No. 6750 of June 27, 1934, is hereby amended to read as follows:

WHEREAS section 4 of the act approved June 12, 1934, 48 Stat. 945, as amended by Public Law 130, 79th Congress, approved July 5, 1945, provides as follows:

"Sec. 4. Before any foreign trade agreement is concluded with any foreign government or instrumentality thereof under the provisions of this Act, reasonable public notice of the intention to negotiate an agreement with such government or instrumentality shall be given in order that any interested person may have an opportunity to present his views to the President, or to such agency as the President may designate, under such rules and regulations as the President may prescribe; and before concluding such agreement the President shall seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, War, Navy, Agriculture, and Commerce and from such other sources as he may deem appropriate."

Now, THEREFORE, by virtue of the authority vested in me by the foregoing statutory provisions, I hereby prescribe the following regulations governing the procedure with respect to the giving of public notice of the intention to negotiate foreign trade agreements and with respect to the granting of opportunity to interested persons to present their views:

1. At least thirty days before any trade agreement is concluded under the provisions of the said act of June 12, 1934, as amended, commonly known as the Trade Agreements Act, the Secretary of State shall cause notice of the intention to negotiate such agreement to be published in the *Federal Register*. Such notice shall also be issued to the press and published in the *Department of State Bulletin*, the *Treasury Decisions*, and the *Foreign Commerce Weekly*.

2. Persons desiring to present their views with respect to any such proposed agreement shall pre-

sent them to the Committee for Reciprocity Information. The said Committee shall consist of members designated from the personnel of their respective agencies by the Chairman of the United States Tariff Commission, the Secretary of State, the Secretary of the Treasury, the Secretary of War, the Secretary of the Navy, the Secretary of Agriculture, the Secretary of Commerce, and the heads of such other agencies as the Secretary of State may designate on the recommendation of the Committee. The chairman of the Committee shall be designated from among the members of the Committee by the Secretary of State. The Committee may designate such subcommittees as it may deem necessary.

3. The Committee shall accord reasonable opportunity to interested persons to present their views on any proposed or existing trade agreement or any aspect thereof. The form and manner in which such views may be presented, the place at which they shall be presented, and the time limitations for such presentation shall from time to time be prescribed by the Committee.

The provisions of Executive Order No. 8190 of July 5, 1939, relating to the Committee for Reciprocity Information are hereby revoked.

HARRY S. TRUMAN

THE WHITE HOUSE,
October 25, 1945

Letters of Credence

Ambassador of Haiti

The newly appointed Ambassador of Haiti, Mr. Jacques C. Antoine, presented his letters of credence to the President on October 17. For text of these credentials and the reply by the President see Department of State press release 772.

Minister of Sweden

The newly appointed Minister of Sweden, Herman Eriksson, presented his letters of credence to the President on October 23. For the texts of his remarks and the President's reply see Department of State press release 795.

Removal of Wartime Objection To Study Abroad

[Released to the press on October 22]

On December 28, 1942 the Department of State announced that, because of the increasingly exigent demands of the war upon the manpower supply of the United Nations, it had been found necessary to suspend, for the duration of the war, the award of official fellowships and travel and maintenance grants to students from the United States for study in the other American republics.¹

Since, with the end of the war, the conditions which led to the issuance of the announcement are rapidly disappearing, particularly with the return to civilian life of large numbers of war veterans, the Department is withdrawing its previous objection to study abroad by United States citizens. In doing so, however, it draws attention to the fact that the educational institutions in a number of countries outside the Western Hemisphere are not in condition to receive students from this country, in addition to which transportation facilities are at present difficult to obtain. The Department hopes however that, as soon as travel conditions improve, representative American citizens will undertake either graduate study or research, or supervised short-term undergraduate study, in foreign countries and thus reciprocate the confidence shown by the many foreign students who have come to United States educational institutions during the war despite hardships of travel and living accommodations.

An announcement regarding the resumption of the Government's travel- and maintenance-grant program for study in the other American republics and the fellowships under the Convention for the Promotion of Inter-American Cultural Relations will be made at a later date. Inquiries regarding application forms for these programs should be addressed to the United States Office of Education, Washington 25, D. C.

The Proclaimed List

[Released to the press October 28]

The Secretary of State, acting in conjunction with the Acting Secretary of the Treasury, the Attorney General, the Secretary of Commerce,

and the Acting Director of the Office of Inter-American Affairs, on October 28 issued Cumulative Supplement 7 to Revision IX of the Proclaimed List of Certain Blocked Nationals.

Cumulative Supplement 7 to Revision IX supersedes Cumulative Supplement 5 dated July 27, 1945, and Noncumulative Supplement 6 dated September 14, 1945.

Part I of Cumulative Supplement 7 contains 6 additional listings in the other American republics. In the case of Alfredo E. Moll, a substantial amount of the evidence occasioning the listing was discovered by the occupation authorities in Germany. Part I also contains 353 deletions; Part II contains 25 additional listings outside the American republics and 27 deletions.

The names of a considerable number of persons and enterprises in Brazil have been deleted in the current supplement. These deletions are possible because of the effective action taken by the Brazilian Government to eliminate Axis enterprises and because the laws of Brazil are deemed adequate to control deleted persons whose activities still require supervision. With some exceptions, the deletions for Brazil do not indicate that continued control by the Brazilian Government is unnecessary; on the contrary, it means that the laws of Brazil are deemed to be adequate to control the activities and assets of undesirable persons whose names have been deleted.

THE FOREIGN SERVICE

Consular Offices

The American Consulate General at Singapore was reopened October 10, 1945.

Confirmations

On October 26, 1945 the Senate confirmed the nomination of Avra M. Warren to be Envoy Extraordinary and Minister Plenipotentiary to New Zealand.

¹ BULLETIN of Jan. 2, 1943, p. 8.

Visit of Ecuadoran Art Director

[Released to the press October 25]

Nicolas Delgado, Director General of Fine Arts in the Ministry of Education, Quito, Ecuador, is in the United States for the purpose of establishing relations between leading art centers of this country and of Ecuador, and of making a special study of the organization and administration of museums in the United States. He has held such posts as professor of painting in the National School of Fine Arts of Ecuador, and later professor of painting and of the history of colonial art in the National Museum. He is now officially charged by the Government of Ecuador with the organization of museums and is Director of La Casa Colonial, a museum in Quito. He is also directing the cataloguing of private and public art collections and of buildings of archeological, historical, and artistic value.

Mr. Delgado visited the United States in 1939-40, when he was commissioned by his Government to take charge of the Ecuadoran exhibit at the Golden Gate International Exposition. He has also studied and traveled widely in Europe.

As a guest of the Department of State, he intends to spend three months in the United States.

Foreign Commerce Weekly

The following articles of interest to readers of the BULLETIN appeared in the October 13 issue of *Foreign Commerce Weekly*, a publication of the Department of Commerce, copies of which may be obtained from the Superintendent of Documents, Government Printing Office, for 10 cents each:

"Danish Industry Now: Position and Prospects", by John Manfred Hager, senior economic analyst, American Legation and Consulate General, Copenhagen.

"Reconstructing Manila: Extensive Plans Now Set", by John M. Beard, senior economic analyst, American Consulate General, Manila.

"Drugs and Pharmaceuticals in Contemporary Turkey", by Paul S. Guinn, consul, American Consulate General, Istanbul.

THE CONGRESS

Foreign War Relief Operations. Message from the President of the United States transmitting the cumulative report on refugees and foreign war relief operations from July 1, 1940, through April 30, 1945. H. Doc. 262, 79th Cong. viii, 99 pp.

Supplemental Estimate of Appropriation for the Export-Import Bank of Washington. Communication from the President of the United States transmitting supplemental estimate of appropriation for the fiscal year 1946 in the amount of \$194,000 for the Export-Import Bank of Washington. H. Doc. 336, 79th Cong. 2 pp.

Universal Military Training. Address of the President of the United States before a joint session of the Senate and House of Representatives presenting his recommendations with respect to universal military training. H. Doc. 359, 79th Cong. 7 pp.

Surplus Disposal in Canada. Report of the Committee on Military Affairs, pursuant to S. Res. 46. S. Rept. 199, Part 4, 79th Cong. ii, 5 pp.

Reorganization of Government Agencies. Report from the Committee on the Judiciary to accompany S. 1120, a bill to provide for the reorganization of Government agencies, and for other purposes. S. Rept. 638, 79th Cong. iii, 36 pp. [Favorable report.]

Arctic Weather Reporting Stations. S. Rept. 656, 79th Cong., to accompany S. 765. 5 pp. [Favorable report.]

Convention on International Civil Aviation: Hearings before the Committee on Foreign Relations, United States Senate, Seventy-ninth Congress, first session, on Executive A, a Convention on International Civil Aviation, Chicago, Ill., December 7, 1944. February 20, 23, March 6, 9, 19, 20, 23, and 26, 1945.

Entrance of South American Cadets to Merchant Marine Academy: Executive Hearings before the Committee on the Merchant Marine and Fisheries, House of Representatives, Seventy-ninth Congress, first session, on H.R. 1751, a bill to authorize the course of instruction at the United States Merchant Marine Academy to be given to not exceeding twenty persons at a time from the American Republics, other than the United States. September 27, 1945. iii, 16 pp.

First Supplemental Surplus Appropriation Rescission Bill, 1946: Hearings before the subcommittee of the Committee on Appropriations, House of Representatives, Seventy-ninth Congress, first session, on the first supplemental surplus appropriation rescission bill, 1946. Part I, Departments and Civil Agencies. ii, 964 pp.

THE DEPARTMENT

Establishment of the Interim Foreign Economic and Liquidation Service¹

1 In accordance with the authority contained in Part III, paragraph 11 of Executive Order 9630, there is hereby established within the Department the Interim Foreign Economic and Liquidation Service.

2 The Service will carry out the functions transferred to the Department from the Foreign Economic Administration and the office of the Army-Navy Liquidation Commissioner by Executive Order 9630.

3 The Service shall be administered by the Special Assistant to the Secretary and Foreign Liquidation Commissioner under the general direction of the Secretary, reporting to him through the Assistant Secretary for Economic Affairs.

4 The Service shall continue to operate as an organizational entity within the Department pending a determination as to which of its functions shall be continued in the permanent organization of the Department after which the Service shall be liquidated.

5 The records, property, and appropriation balances transferred to the Department by Executive Order 9630 shall be utilized in the operation of the Service until the Service finally is liquidated and for the operation of the functions continued in the permanent organization of the Department.

6 The personnel transferred to the Department by Executive Order 9630 shall be utilized in the Interim Service for such time as their services may be required. At the discretion of the Assistant Secretary for Administration, any of the personnel transferred to the Department by Executive Order 9630 may be temporarily detailed or transferred to the permanent organization of the Department in accordance with approved personnel policies for the performance of functions which may be continued after the final liquidation of the Interim Service.

JAMES F. BYRNES

Establishment of a Deputy on Financial Affairs in the Office of the Assistant Secretary for Economic Affairs²

1 There is hereby established in the Office of the Assistant Secretary for Economic Affairs a Deputy on Financial Affairs who shall coordinate the work of the Office of Financial and Development Policy and of the Office of Economic Security Policy. He shall also coordinate the policy of the Office of Foreign Liquidation with the policy of the other offices named; and shall carry out such other functions as the Assistant Secretary may from time to time direct.

2 Departmental Orders 1301 of December 20, 1944 and 1311 of March 9, 1945 are amended accordingly.

JAMES F. BYRNES

Establishment of an Office of Foreign Liquidation³

1 This Order is issued to establish an Office of Foreign Liquidation which will take action, in accordance with the prevailing foreign policy of the United States, involving problems incident to Lend Lease, Surplus War Property disposal and supplying requirements in liberated areas.

2 There is hereby established an Office of Foreign Liquidation which shall be administered by the Special Assistant to the Secretary and Foreign Liquidation Commissioner under the general direction of the Secretary, reporting to him through the Assistant Secretary for economic affairs.

3 The Office shall be responsible for taking necessary action (based on prevailing foreign policy) on the continuing phases of problems in connection with the functions of Lend Lease, Surplus War Property and liberated area requirements transferred to the Department of State under the terms of Executive Order 9630.

4 The Foreign Liquidation Commissioner shall carry out his functions in accordance with the delegation of authority dated October 20, 1945.

JAMES F. BYRNES

Establishment of the Office of Economic Security Policy⁴

I There is hereby established under the Assistant Secretary in charge of economic affairs the Office of Economic Security Policy which shall be under the direction of the Deputy to the Assistant Secretary for Economic Affairs. The Office of Economic Security Policy shall be responsible for initiation, formulation and coordination of policy and action by the Department of State for economic security policy, including economic aspects of the occupation of Germany, Austria, Japan and Korea.

II There shall be established within the Office of Economic Security Policy (a) Division of Economic Security

¹ Departmental Order 1343, dated Oct. 19, 1945 and effective Oct. 20, 1945.

² Departmental Order 1344, dated Oct. 19, 1945 and effective Oct. 20, 1945.

³ Departmental Order 1345, dated Oct. 19, 1945 and effective Oct. 20, 1945.

⁴ Departmental Order 1346, dated Oct. 19, 1945 and effective Oct. 20, 1945.

Controls, (b) Division of German and Austrian Economic Affairs, and (c) Division of Japanese and Korean Economic Affairs. Each division shall have responsibility for the initiation, formulation and coordination of policy and action of programs as follows:

A Division of Economic Security Controls. (1) Foreign funds or properties; (2) export control—applicability to specified designees; (3) control and disposition of enemy property in the United States and in other countries; (4) prevention of concealment or flight of enemy assets and capital; (5) protection or restoration of patent, copyright or similar rights affected by the war; (6) administration of financial and economic controls in accordance with the several inter-American Conferences including replacement of Axis concerns; and (7) collection, evaluation and organization of biographic data.

B Division of German and Austrian Economic Affairs. (1) Economic and financial matters related to the occupation and control of Germany in accordance with the principles established by the Potsdam Conference; (2) Economic and financial aspects of the occupation and control of Austria and its reestablishment as an independent state; (3) Reparations, restitution and economic and financial aspects of peace treaties insofar as these relate to Germany and Austria.

C Division of Japanese and Korean Economic Affairs. (1) Economic and financial matters related to the occupation and control of Japan; (2) Economic and financial aspects of the occupation and control of Korea and its reestablishment as an independent state; (3) Reparations, restitution and economic and financial aspects of peace treaties insofar as these relate to Japan and Korea.

III The following functions and administrative units shall be transferred to the Office of Economic Security Policy together with personnel and records:

A The Division of Economic Security Controls

B The Office of the Adviser on German Economic Affairs

C The Office of the Adviser on Far Eastern Economic Affairs

D The function of reparations and financial aspects of peace treaties involving Germany, Austria, Japan and Korea, now being handled by the Division of Financial Affairs

E The function of formulating policy with respect to the industrial aspects of occupation and peace treaties involving Germany, Austria, Japan and Korea, now being handled by the Division of Foreign Economic Development.

IV Code symbols shall be as follows:

A Office of Economic Security Policy (ESP)

B Division of Economic Security Controls (ES)

C Division of German and Austrian Economic Affairs (GA)

D Division of Japanese and Korean Economic Affairs (JK)

V *Departmental Orders amended.* Departmental Order 1311 dated March 9, 1945 and any other orders, the provisions of which are in conflict herewith, are accordingly amended.

JAMES F. BYRNES

Delegation of Authority to the Foreign Liquidation Commissioner¹

Pursuant to the provisions of the Surplus Property Act of 1944 (58 Stat. 765), Surplus Property Board Revised Regulation 8 dated September 25, 1945 (10 F.R. 12452), designating the Department of State as the disposal agency for all surplus property located in foreign areas, excepting certain vessels, and Executive Order 9630, dated September 27, 1945 (10 F. R. 12245), transferring to the Department of State all functions of the Army-Navy Liquidation Commissioner, and all functions of the War Department and the Navy Department relating to the disposition abroad of property captured from the enemy, and transferring to the Secretary of State so much of the functions of the Secretary of War and the Secretary of the Navy as related thereto, it is hereby ordered that:

1 There is hereby delegated, as herein provided, to the Foreign Liquidation Commissioner the authority now or hereafter vested in the Secretary of State or the Department of State to dispose of, subject to the authority of the Surplus Property Administrator under the Surplus Property Act of 1944, all surplus property, including scrap, salvage, waste materials, property captured from the enemy, and surplus property of Lend-Lease origin, in the control of or for the disposal of which the Department of State may be responsible, located in foreign areas.

2 The Foreign Liquidation Commissioner will exercise the authority hereby delegated under the general supervision of, and in conformity with such directions, orders, or instructions as may from time to time be issued by, the Secretary of State in the execution of the foreign policies of the United States, and he will report to the Secretary of State through the Assistant Secretary of State for Economic Affairs.

3 Provisions of law and regulations requiring owning agencies to file with the Department of State, as the disposal agency, declarations of surplus real and personal properties located in foreign areas, shall be complied with by filing in such manner as the Foreign Liquidation Commissioner may direct.

4 The Foreign Liquidation Commissioner is authorized, with the approval of the Assistant Secretary for Economic Affairs, to designate:

(a) One or more Deputy Commissioners who may in the order prescribed in the instrument of appointment exercise all of the authority and perform all of the functions hereunder of the Commissioner in his absence, and one or more assistant Commissioners who may in the order prescribed in the instrument of appointment exercise all of the authority and perform all of the functions of Commissioner hereunder in the absence of the Commissioner and the Deputy Commissioners;

(b) Field Commissioners, Deputy Representatives, Officers, and Assistants;

(c) In such representative capacities as may be deemed necessary, such officers and enlisted personnel of military or naval establishments as may be detailed to the Depart-

¹ Departmental Order 1347, dated and effective Oct. 20, 1945.

ment of State pursuant to Executive Order 9630 of September 27, 1945 (10 F.R. 12245).

5 The Foreign Liquidation Commissioner or his local representatives are authorized to call upon the War and Navy Departments, and the military commander of any Theater of Operations, command, department or base in foreign areas and the Naval Commander of any area, several areas or fleet, or the Commandant of a Naval District, in foreign areas for the assignment within his Command to the local representative of the Commissioner, of such military and Naval personnel, transportation, and administrative services, or facilities as may be required to be furnished by them pursuant to paragraphs 8 and 9 of Executive Order 9630, dated September 27, 1945 (10 F.R. 12245).

6 The Commissioner is authorized, with the approval of the Assistant Secretary for Economic Affairs, to redelegate and authorize successive redelegations of all or any part of his authority and functions hereunder to such Deputy Commissioners, Assistant Commissioners, Field Commissioners, Deputy Representatives, Officers, Assistants, and to any United States Government agency, with the consent of such agency, or subject to such conditions, directions and restrictions as may be prescribed by the Commissioner or his authorized representatives, either in the instrument of delegation, or otherwise from time to time, to a person under the complete control of such Government agency.

7 Such personnel as may be necessary to enable the Commissioner to carry out his functions shall be supplied by the Division of Departmental Personnel and the Division of Foreign Service Personnel.

8 The Foreign Liquidation Commissioner will maintain records of all his transactions and require that such records be kept by each foreign representative in the form and manner prescribed by him.

9 This Order is effective as of the close of business October 20, 1945.

JAMES F. BYRNES

Appointment of Officers

Emilio G. Collado as Deputy on Financial Affairs to the Assistant Secretary for Economic Affairs, effective October 20, 1945.

Dudley Maynard Phelps as Acting Director of the Office of Financial and Development Policy, concurrently with his duties as Chief of the Division of Foreign Economic Development, effective October 20, 1945.

John Stam Hooker as Deputy Director of the Office of Financial and Development Policy, effective October 20, 1945.

Thomas B. McCabe as Special Assistant to the Secretary and Foreign Liquidation Commissioner, effective October 20, 1945.

Seymour J. Rubin as Acting Director and Deputy Director of the Office of Economic Security Policy, effective October 20, 1945.

Edwin M. Martin as Chief of the Division of Japanese and Korean Economic Affairs, effective October 20, 1945.

William T. Turner as Chief of the Division of Japanese Affairs, effective October 22, 1945.

Ellis O. Briggs as Director of the Office of American Republic Affairs, effective October 22, 1945.

Abram Bergson as Consultant in the Division of Foreign Economic Development, effective October 22, 1945.

Benjamin Gerig as Adviser to the Division of International Organization Affairs, concurrently with his duties as Chief of the Division of Dependent Area Affairs, effective October 6, 1945.

John P. Young as Associate Chief and Adviser on Foreign Investment in the Division of Foreign Economic Development, effective October 1, 1945.

J. Anthony Panuch as Deputy to the Assistant Secretary for Administration, effective October 24, 1945.

Alfred McCormack, Special Assistant to the Secretary in charge of research and intelligence, to be in charge of the Interim Research and Intelligence Service, effective October 24, 1945.

Donald S. Russell as Chairman and William Benton as Member on the Board of Foreign Service Personnel and the Board of Examiners for the Foreign Service, effective October 17, 1945.

Confirmations

On October 22, 1945 the Senate confirmed the nomination of Spruille Braden as Assistant Secretary of State.

Publications

of the DEPARTMENT OF STATE

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., who is the authorized distributor of Government publications. To avoid delay, address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

★Report on First Session of the Council of Foreign Ministers, by James F. Byrnes, Secretary of State, October 5, 1945. Publication 2398. 10 pp. 5¢.

Broadcast from Washington, D. C., over the network of the Columbia Broadcasting System. The first session of the Council of Foreign Ministers was held in London from September 11, 1945 to October 2, 1945.

★Department of State Bulletin Index, Volume XII, Numbers 289-313, January 7-June 24, 1945. Publication 2395.

A cumulative list of the publications of the Department of State, from October 1, 1929 to July 1, 1945 (publication 2373) may be secured from the Department of State.

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THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 332

NOVEMBER 4, 1945

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By Robert R. Burton and Donald R. MacQuivey

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see inside cover*



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THE DEPARTMENT OF STATE

BULLETIN

Vol. XIII • No. 332 •



• PUBLICATION 2419

November 4, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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Neighboring Nations in *ONE WORLD*

Address by
THE SECRETARY OF STATE ¹

THE SUBJECT about which I wish to speak briefly this evening is "Neighboring Nations in One World."

It was no accident that President Roosevelt, who did so much to develop our inter-American system, did even more to develop the world community of the United Nations. For today all nations are neighbors, and although we may have special relations with our nearer neighbors in the Americas, we must remember that we and they are parts of a single, interdependent world.

When we consider the principles which govern our inter-American system as it has been worked out in recent years, it is well to remember that these principles were not always recognized by us in our relations with our neighbors. There were times, not so far distant, when we tried "dollar diplomacy" and intervention and were accused of "Yankee imperialism."

But we have learned by experience that to have good neighbors we must be a good neighbor.

We have discovered that understanding and good-will cannot be bought and cannot be forced. They must spring spontaneously from the people. We have learned also that there can be no lasting friendship between governments unless there is understanding and good-will between their peoples.

In the inter-American system the members do not interfere in the internal affairs of their neighbors nor do they brook interference in those internal affairs by others. Freedom means more than freedom to act as we would like them to act.

But we do want other people to know what our people are thinking and doing. And we want to know what other people are thinking and doing. Only with such knowledge can each people determine for itself its way of life.

We believe other nations have a right to know of our own deep attachment to the principles of

democracy and human rights; our profound belief that governments must rest upon the free consent of the governed; and our firm conviction that peace and understanding among nations can best be furthered by the free exchange of ideas.

While we adhere to the policy of non-intervention, we assert that knowledge of what other people are thinking and doing brings understanding; and understanding brings tolerance and a willingness to cooperate in the adjustment of differences.

Censorship and blackouts, on the other hand, breed suspicion and distrust. And all too often this suspicion and distrust are justified. For censorship and blackouts are the handmaidens of oppression.

The policy of non-intervention in internal affairs does not mean the approval of local tyranny. Our policy is intended to protect the right of our neighbors to develop their own freedom in their own way. It is not intended to give them free rein to plot against the freedom of others.

We have learned by bitter experience in the past ten years that Nazi and Fascist plans for external aggression started with tyrannies at home which were falsely defended as matters of purely local concern. We have learned that tyranny anywhere must be watched, for it may come to threaten the security of neighboring nations and soon become the concern of all nations.

If, therefore, there are developments in any country within the inter-American system which, realistically viewed, threaten our security, we com-

¹Delivered before the *Herald Tribune* Forum in New York, N. Y., on Oct. 31, 1945 and released to the press Nov. 1.

sult with other members in an effort to agree upon common policies for our mutual protection.

We Americans can take genuine pride in the evolution of the good-neighbor policy from what, in a way, were its beginnings in the Monroe Doctrine. We surely cannot and will not deny to other nations the right to develop such a policy.

Far from opposing, we have sympathized with, for example, the effort of the Soviet Union to draw into closer and more friendly association with her central and eastern European neighbors. We are fully aware of her special security interests in those countries, and we have recognized those interests in the arrangements made for the occupation and control of the former enemy states.

We can appreciate the determination of the people of the Soviet Union that never again will they tolerate the pursuit of policies in those countries deliberately directed against the Soviet Union's security and way of life. And America will never join any groups in those countries in hostile intrigue against the Soviet Union. We are also confident that the Soviet Union would not join in hostile intrigue against us in this hemisphere.

We are concerned to promote friendship, not strife, among neighbors everywhere. For twice in our generation strife among neighbors has led to world conflict. Lasting peace among neighbors has its roots in spontaneous and genuine friendship. And that kind of friendship among nations depends upon mutual respect for one another.

It is our belief that all peoples should be free to choose their own form of government, a government based upon the consent of the governed and adapted to their way of life.

We have put that belief into practice in our relations with our neighbors. The Soviet Union has also declared that it does not wish to force the Soviet system on its neighbors. The whole-hearted acceptance of this principle by all the United Nations will greatly strengthen the bonds of friendship among nations everywhere.

But the point I wish to emphasize is that the policy of the good neighbor, unlike the institution of marriage, is not an exclusive arrangement. The best neighbors do not deny their neighbors the right to be friends with others.

We have learned that our security interests in this hemisphere do not require its isolation from economic and cultural relations with the rest of the world.

We have freely accepted the Charter of the

United Nations, and we recognize the paramount authority of the world community. The Charter, while reserving to us and other nations the inherent right of individual and collective self-defense in case of armed attack, requires that enforcement action taken under regional arrangements be sanctioned by the Security Council of the United Nations Organization.

Moreover, we adhere strictly to the policy that cooperation among the American republics does not justify discrimination against non-American states. The American republics have practiced the policy of equal treatment for all states which respect the sovereignty and integrity of their fellow states.

Inter-American cooperation is not inconsistent with world-wide cooperation among the nations. Regional arrangements, like the inter-American system, which respect the rights and interests of other states and fit into the world system can become strong pillars in the structure of world peace.

But we cannot recognize regional arrangements as a substitute for a world system. To do so would not promote the common and paramount interests of all nations, large and small, in world peace.

We live in one world; and in this atomic age regional isolationism is even more dangerous than is national isolationism.

We cannot have the kind of cooperation necessary for peace in a world divided into spheres of exclusive influence and special privilege.

This was the great significance of the Moscow Declaration of 1943.¹ That joint statement of policy pledged the world's most powerful nations to mutual cooperation in winning the war and maintaining the peace. It was a landmark in our efforts to create a world community of nations and to abandon the discredited system of international relations based upon exclusive spheres of influence.

Out of the Moscow Declaration have come the Dumbarton Oaks, Tehran, Crimea, San Francisco, and Potsdam conferences. And the United Nations Organization and the London Council of Foreign Ministers were created in the spirit of that Declaration.

International cooperation must—as I emphasized in my recent report on the London Council—depend upon intelligent compromise. It does not require us or any other nation to neglect its special relations with its nearer neighbors. But it

¹ BULLETIN of Nov. 6, 1943, p. 308.

does require that all neighborly relations be fitted into an organized system of international relations world-wide in scope.

The world system which we seek to create must be based on the principle of the sovereign equality of nations.

That does not mean that all nations are equal in power and in influence any more than all men are equal in power and influence. But it does mean equal respect for the individuality and sovereignty of nations, large and small. Nations, like individuals, should be equal before the law.

That principle is the cornerstone of our inter-American system as it is the cornerstone of the United Nations.

Adherence to that principle in the making of the peace is necessary if we are to achieve endur-

ing peace. For enduring peace is indivisible. It is not the exclusive concern of a few large states or a few large groups of states. It is the concern of all peoples.

Believing this, the position of the United States will continue to be that the nations, large and small, which have borne the burdens of the war must participate in making the peace.

In centuries past powerful nations have for various purposes tried to divide the world among themselves. They failed, and in failing left a trail of blood through the centuries. Such efforts have even less chance of success in the modern world where all nations have become neighbors.

Today the world must make its choice. There must be one world for all of us or there will be no world for any of us.

Participation by Civil Authorities in Government of Germany

[Released to the press by the White House October 31]

26 OCTOBER 1945.

DEAR MR. PRESIDENT:

You will recall that, when you were in Frankfurt, you and I agreed upon the desirability of so organizing the Army's current functions in Europe as to facilitate turning U.S. participation in the government of Germany over to civil authority at the earliest possible moment. It is my understanding that the War Department completely supports this view. Every organizational step we have taken has been accomplished in such a way as to facilitate eventual transfer. Nevertheless I am quite sure that there is a very widespread lack of realization as to the governing intent along this line, basing this statement upon the frequency with which visitors express astonishment that this purpose exists as a guiding policy.

Naturally I am not in position to recommend an exact date on which such transfer should take place, since I have assumed that the four interested governments would first have to agree in principle and thereafter to make arrangements for simultaneous change from military to civil representatives. Moreover, there may be considerations, important to our government, of which I am unaware. However, from our local viewpoint, other governments could well be asked to agree to the proposal at the earliest date that can be mutually agreed upon, in no event later than June 1, 1946.

As quickly as the matter could be agreed in principle, but not before, then actual completion of the American civil organization should be undertaken by whatever civilian you might, at that time, designate as its eventual head. Such things as these require time but I am confident that we should not allow this detail to obscure, in the mind of any interested person, the clarity of the objective toward which we are striving.

The matter of civil government of Germany is entirely separate from the occupational duty of the Army, which responsibility will persist as long as our own Government deems necessary. The true function of the Army in this region is to provide for the United States that reserve of force and power than can insure within our zone the prompt enforcement of all laws and regulations prescribed by the Group Council, or in the absence of such law and regulation, the policies laid down by our own Government for the United States zone.

As you pointed out when here, separation of occupational and governmental responsibility is sound just as soon as there is no longer any military or security reason for holding them together, if for no other reason than because of its conformity to the American principle of keeping the Army as such out of the civil government field.

Respectfully,

DWIGHT D. EISENHOWER

The Voice of America

Address by

ASSISTANT SECRETARY BENTON¹

[Released to the press October 30]

The voice of America is a voice with ten thousand tongues. It is all that the people of other lands hear about us and all that they read about us. It is the American movies they see and the American G.I.'s and tourists they meet.

I am glad we Americans speak with ten thousand voices. Some critics would call it a confusion of voices. But it is the democratic way of peoples speaking to peoples. The alternative way—the single voice—is the way of censorship and of ministries of propaganda.

My theme tonight is that the people of the United States, through their Government and their State Department, have a vital national interest in the voice of America. Their national security may be at stake if this voice is inadequate or distorted—if it fails to represent us with reasonable fullness and fairness as we really are, our history and our culture, our faults and our fears, our hopes and our ambitions for our democratic processes and our free society.

Today 38 short-wave radio transmitters, operating all over the world under the direction of our Government, are known to millions in Asia, Africa, and Europe by the name, the *Voice of America*. Here is an example of the new role of government. The Voice of America radio programs supplement and help to clarify the message of America's ten thousand tongues. Further, they reach vast areas of the world which otherwise would be completely shut off from America.

There are people in Iceland, in China, Iran, the Argentine, and the Balkans—millions of ordinary people all over the world who listen eagerly for America's voice. During the war these Voice of America broadcasts went out over the air every day in the year in 40 languages. Today, in the backwash of the war, they go out in 18 languages. They give people in foreign lands straight, impartial news from America, news in their own languages, news untainted by special pleading or by propaganda.

The radio Voice of America was developed in war by the Government. Now before the American people and the Congress is the broad and inclusive question: "What role shall the Government play in America's voice abroad in peacetime?"

Is it enough, in the rapidly contracting world of today, for our people and our Government to be presented to the peoples of the world as a giant, completely equipped with battleships, superfortresses, and atomic bombs, but voiceless except for diplomatic exchanges and the erratic interplay of private communication?

There is one basis for judging the future information policy of the Government abroad upon which we can all agree.

Does an expanded peacetime role for government help us to achieve national security? Is it worthwhile deliberately to explain ourselves to the rest of the world? Does this help give us willing and friendly allies, in times of crisis as well as in peace? Is understanding also a force? Isn't it the kind of force that we prefer? Suppose we had to choose between two investments in security—between a year's cost of the radio Voice of America and its rough equivalent, a year's cost of operating one battleship in a fleet of battleships?

These are new questions for America. They will be debated in the next few weeks and over the years to come. Battleships are the traditional symbols of our security. But to speak to the other peoples of the world about America—to speak through such new and miraculous channels as short-wave radio—to seek security through understanding rather than through force—that is a new role for our Government.

In the field of short-wave radio beamed abroad, we have not yet decided how best to operate or manage or control; we only know that the Government must put up most of the money to underwrite the cost if a job is to be done.

The American people have deliberately chosen a policy of active participation in world affairs. As a people we are becoming aware of the danger

¹ Delivered before the *Herald Tribune* Forum in New York, N. Y., on Oct. 30, 1945.

inherent in that policy. We do not propose to forsake the policy, but we must realize that the danger is greater if America is misunderstood abroad. The next few years—perhaps the next few months—are crucial. The new United Nations Organization will be meeting its first tests. America will be trying to revive world trade on a sound basis. The time to build the kind of peace we want is now, and in the years just ahead.

Yet the plain fact is that as we enter this crucial period America is neither fairly nor fully understood by the peoples of other nations.

America is a legendary country to most of the world. It has been a land of legend through most of its history. The legend has changed from time to time. In the seventeenth and eighteenth centuries, America was a land of freedom; in the nineteenth century, during the great waves of immigration, it was also the land of opportunity.

The American legend today is a curious and contradictory mixture. A legend can hardly be otherwise.

We are known to be immensely strong. Yet Axis propagandists found ready belief for the story that good living had made us so weak and spineless we would not and could not fight.

We are acclaimed as generous and open-handed with billions to spend on lend-lease and rehabilitation—a veritable Uncle Santa Claus. At the same time we are called Uncle Shylock.

We believe in freedom of speech for all, yet sinister capitalists are said to control the means of communication.

We stand for free enterprise, but our critics abroad stress our great combines and monopolies.

The Metropolitan Opera House is the goal of all foreign opera stars, but we are said to have no music except swing.

We believe in due process of law, yet the world pictures the gangsters shooting it out on the streets of Chicago.

Now I am not going to suggest that any role that the Government can play abroad will clarify this picture readily or quickly. Like education, of which it is a part, information is a slow, laborious business that works no miracles and produces no millenium of understanding. It can, however, help to correct mistaken ideas. It can make available the facts about our actions and our policies, as they develop out of our customs, our laws, our institutions, and our politics.

A government information service abroad to strengthen America's voice should, in major cities, include a room or three or four rooms or a building where the ordinary people of Amsterdam or Cairo or Chungking—for example—can go to find out about the United States. During the war we developed small United States libraries in many foreign cities. They were used by newspaper writers, school teachers, doctors, farmers, engineers, students, and people of the street. There is intense curiosity abroad about the United States. I am thinking of the long lines of anxious people who came to our American library of information in Melbourne on the day of President Roosevelt's death. They wanted to know what would happen to our Government. Would we have an immediate election? Who would succeed the President and how and why? Their concern was real and immediate. I am thinking of the foreign youngster who stopped in at an American picture exhibit to ask why the boundaries of our states are so straight. I have in mind a doctor who stops in at the American library in Montevideo to search American medical journals for news of the latest treatment of infantile paralysis. It is a remarkable fact that the British Government's Stationery Office has printed and sold more copies of many American war documents than has our own Government Printing Office. An example is "Target—Germany," the official report of the operations of our Eighth Air Force. British bookshops sold several hundred thousand copies of this report.

A few weeks ago the veteran scholar and world traveler, Henry Seidel Canby, returned from Australia and New Zealand. He reported that our libraries there—I quote—"Have enabled the right people at the right time to learn for themselves, from books and not from propaganda, what America was, is, had, could offer, what we were thinking and how we felt. They and all such institutions should be part of our permanent foreign policy," he said.

Far more important than the rooms, of course, are the books, periodicals, and documents they house. Few of you can have any conception of what these mean, for example, to the liberated people whose only link with us for the past five years has been the radio Voice of America. Let me read a few lines from a letter that came to me from Athens just the other day. My correspondent is a stranger to me, Mr. Nicholas Chantiles. This is what he said: "I knew there was a whole treasure

behind those library doors. Books and magazines full of that unrivaled American democratic spirit, books where the authors are free to express their ideas and beliefs whatever they may be." I confess I was moved by that letter.

In wartime we have discovered, too, the immense value of official American political documents to the newspapers, the scholars, and opinion-makers of other countries—documents which the commercial news services do not cable in full and which, therefore, will be sent abroad only by the Government. Foreign editors ask for the complete texts of presidential speeches, acts of Congress, reports such as General Marshall's on which to base their editorial comments and special articles.

Our Government documentary films have won appreciative audiences abroad. Just the other night I saw a small documentary that has gone overseas, about the jeep. It showed how American ingenuity produced for war a vehicle that has captured the fancy of the whole world. It was a simple but entertaining film. Millions of people in other lands have been instructed by it. It was a piece of information about Americans.

Finally, I should like to tell you briefly what a United States information program should be in terms of people. The bone and marrow of any good program are, of course, the people who run it. There is no substitute for face-to-face relationships. We need only a few hundreds of Government information people abroad, directed on policy by our Ambassadors and available to foreign editors and broadcasters and others. They should be real Americans in the sense that they know America. Having homesteaded in Montana as a boy, I submit to this New York audience that I am personally partial to those who have deep roots and varied experience in rural and western and southern America. With such knowledge of America, they can represent America more faithfully in foreign lands.

Perhaps even more important people, over the long pull, are those we systematically exchange with other countries—the students, professors, technicians, scientists, and others. Here in the United States, such visitors see us as we are and take that story home. They become our friends and remain our friends. Those American students and experts we send abroad to foreign universities and governments go as representatives of our traditions and culture.

These are some of the materials available to the State Department in its efforts to represent the American people in the development of America's voice overseas. Such efforts need not compete with our private businesses operating abroad. They should only supplement and facilitate normal commercial and private communications. They should operate chiefly in those areas where private agencies will not or cannot function profitably. Nor should we conduct vague, well-meaning good-will campaigns. Our information program should be modest, realistic, and candid. America's voice should be neither the big stick nor the super-salesman. The Government's role will represent only a fraction of the great volume of communication between ourselves and our friends abroad—a fraction, but a highly important and indispensable fraction.

Ultimately, there are only two roads to national security. One is sheer physical power. The other is mutual understanding with the other countries of the world. We now need to follow both roads. But we must hope that we shall need to invest less of our resources in military power as we invest more of our thought and attention in the task of mutual understanding.

In an atomic age, understanding, not bombs, is the last, best hope of earth.

Visit of Prime Minister Attlee

The White House announced on October 30 that Prime Minister Attlee will visit the President at Washington early in November to discuss with him and Prime Minister Mackenzie King of Canada problems to which the discovery of atomic energy has given rise. The Prime Minister is expected to arrive in Washington so that discussions can begin about November 11.

Oath of Office Taken by Spruille Braden

Spruille Braden took the oath of office as Assistant Secretary of State at ceremonies in the Department of State on October 29, 1945.

The St. Lawrence Waterway And World Trade

BY EDWARD G. MILLER, JR.¹

THE PROPOSAL NOW BEFORE Congress that the United States join with Canada in developing the navigation and power phases of the Great Lakes-St. Lawrence waterway is the most important and far-reaching project of this kind ever undertaken by two nations. It involves the opening of a deep-water ship channel into the heart of North America, connecting the great and productive midlands of this continent directly with the seaports of the world, and the construction of electric power facilities with a capacity of 2,200,000 horsepower and an average annual output of 13,200,000,000 kilowatt-hours of electricity.

This will be the second largest single-dam source of power in the world, being exceeded only by Grand Coulee. The output of the proposed power plant will surpass the output of both hydroelectric and thermoelectric plants in all but eight countries of the world. It will generate as much power as all of the hydroelectric development of the Tennessee Valley area at a lower cost than any plant in the United States, with the possible exception of Niagara.

The completion of this program will be an outstanding example of international cooperation. It will strengthen the traditionally friendly relations between this country and Canada.² In the commercial field Canada is this country's second best customer, ranking next to the United Kingdom. We are Canada's best customer.

The over-all cost of developing the water resources of the Great Lakes-St. Lawrence Basin will be shared equally by the United States and Canada. The shipping and hydroelectric power also will be shared equally by the two countries.

The project's economic value to this Nation will rival the TVA and the Panama Canal combined.

From the international viewpoint this project—like the trade-agreements program, the Bretton Woods agreement, the Economic and Social Council of the United Nations Organization, and the other instruments of economic cooperation—has an important place in the program to expand world trade and to foster friendly international commercial relations. Domestically, the project will not only be of great benefit to the 50 million people in the Great Lakes-St. Lawrence area, but will also bring long-range benefits to the country as a whole. In addition to the long-range contribution to our national welfare, the undertaking will provide immediate benefits in the form of gainful employment for an estimated average of 20,000 workers a year for four years.

In speaking before the Detroit Board of Commerce on October 24, 1945, Senator George D. Aiken said:

"In any workable plan of post-war full employment and expanding foreign trade, the St. Lawrence Project should be given first priority.

"During the reconversion period, it will provide constructive jobs for tens of thousands of war workers and returning servicemen.

"When completed, it will stimulate agricultural and industrial exports at cheaper rates of transportation.

"It will permit the importation of needed raw materials which we must obtain from abroad because we do not have them here, or because we want to conserve our own.

"Cheap electricity in a region long starved of low-cost power will create new industries, new freight tonnage, new employment and increase purchasing power."

¹ Mr. Miller is Assistant to the Under Secretary of State.

² For an article entitled "Canadian-American Cooperation in War and Peace, 1940-45," by Elizabeth Armstrong, see BULLETIN of Oct. 28, 1945, p. 674.

CURRENT LEGISLATION

The legislation, currently before Congress, was introduced in both houses on October 2 as a joint resolution, providing for approval of the major portions of a 1941 agreement between the United States and Canada to develop the seaway and power project. In the Senate, S.J. Res. 104 was introduced by Senator Barkley for himself and for Senators Wagner, Aiken, La Follette, Ferguson, Langer, Vandenberg, Shipstead, Hill, and Taylor. Seldom has any bill had such strong bipartisan sponsorship. The bill was referred to the Committee on Foreign Relations.

In the House, identical resolutions have been introduced by Representatives Sabath, Dingell, Robertson, Dondero, all of which have been referred to the Committee on Rivers and Harbors. It is expected that the measure will first be taken up in the Senate but no date has yet been set for the hearings.

PRESIDENT URGES "SPEEDY ENACTMENT"

In a message to Congress on October 3, urging the "speedy enactment" of this legislation, President Truman said:

"The St. Lawrence Seaway will make it possible to utilize our war-expanded factories and shipping facilities in the development of international economic cooperation and enlarging world commerce. New and increasing opportunities for production and employment by private enterprise can be expected from this cheap water transportation.

"The completion of the Seaway will bring many benefits to our great neighbor and Ally on the north. The experience of two wars and of many years of peace has shown beyond question that the prosperity and defense of Canada and of the United States are closely linked together.

"By development of our natural water-power resources, we can look forward with certainty to greater use of electricity in the home, in the factory, and on the farm. . . . Increase in the consumption of electricity will mean more comforts on the farms and in city homes. It will mean more jobs, more income, and a higher standard of living. . . ."¹

BEFORE PUBLIC MANY YEARS

The question of developing the water resources of the Great Lakes-St. Lawrence Basin has been

before the public for many years and has been before Congress several times. Interest in the development of the Seaway dates from the early settlement of the North American Continent. Explorers, pioneers, traders, and ultimately the Governments of the United States and Canada have been attracted by the idea of providing the landlocked Midwest with a deep-water route from the Great Lakes to the Atlantic Ocean. To the navigational aspirations of the early settlers has been added the twentieth-century incentive to harness and utilize the enormous volume of potential electric power latent in the rapids of the St. Lawrence River.

During the last 60 years Canada and the United States have spent large sums of money in deepening channels between the Great Lakes. Canada has spent additional sums in building a series of 14-foot canals with 22 locks to by-pass the rapids of the St. Lawrence River between the lower end of Lake Ontario and Montreal. Canada also has spent large amounts of money in the construction of the Welland Canal, skirting Niagara Falls.

The first serious interest in the Seaway on the part of the U.S. Congress was shown in 1916, when the Congress ordered an investigation of its possibilities. Since that time, every President from Wilson to Truman has favored the project.

MANY STUDIES

Various branches of the Government have made surveys of the project. The Department of Commerce survey in 1941 was the most exhaustive of the eight such studies that have been made. Each of these surveys or studies has favored the project, and each has shown that the navigation and power features of the project will pay for themselves many times over in the savings they will bring.

There have been two serious private studies which reported unfavorably on the project: one issued by the Brookings Institution in 1928, and one issued by the Niagara Frontier Planning Board in the spring of 1940.

On the basis of the studies that have been made and in response to public interest in the development of these water resources, the Governments of the United States and Canada signed, at Washington on July 18, 1932, the Great Lakes-St. Lawrence Waterway Treaty, providing for the construction of a 27-foot waterway. The treaty then went to the Congress, where extensive hearings

¹ BULLETIN of Oct. 7, 1945, p. 528.

were held by the Senate Foreign Relations Committee during 1933. This committee overwhelmingly recommended the ratification of the treaty, but consideration on the floor of the Senate was delayed until March 1934. After extensive debate, the treaty was favored by a majority of 46 to 42 but, lacking the necessary two-thirds vote, failed to be approved.

During the ensuing years there continued to be agitation on the part of the supporters of the project for further steps to realize plans for the development of the St. Lawrence Basin. Accordingly, negotiations were again undertaken with Canada which resulted in the signature of an agreement dated March 19, 1941¹ between the two governments providing for the conclusion of the seaway and power project. The agreement differed in some respects from the earlier treaty, and it was made subject to approval by the Congress of the United States and the Parliament of Canada. It was submitted to the approval of the Congress, and hearings were held before the House Rivers and Harbors Committee in the summer and fall of 1941. The main issue during these hearings concerned the economic features of the project. The committee approved the bill by a vote of 17 to 8, but within two weeks after it was reported to the House the attack on Pearl Harbor occurred. This bill, along with other long-range projects, was postponed since priority was given to other war measures.

No further steps were taken toward the approval of the agreement before late in 1944. At that time the Commerce Committee of the Senate held hearings on a bill introduced by Senator Aiken to approve the agreement, but the hearings were confined to the constitutional issue of whether the agreement should be submitted to the Senate for its advice and consent to ratification as in the case of a treaty. No report was made by the committee. An effort was then made to bring about the approval of the 1941 agreement through an amendment from the floor of the Senate of the pending Rivers and Harbors Bill. This amendment was defeated on December 12, 1944, but many of the Senators who voted against the approval of the agreement made it clear that they were not casting their votes on the merits of the proposal but felt that the agreement should be considered separately and after full hearings.

S. J. Res. 104 and its companion measures in the House again propose the approval of the 1941 agreement but differ somewhat from the earlier measures which have been introduced for this purpose. Particularly, the pending bills would except from the approval of the Congress articles VII and IX of the 1941 agreement, and the bills would express the sense of the Congress that it would be desirable for the President to negotiate separate treaties with reference to the matters covered in these articles. The articles in question relate to the perpetual navigation rights of the ships of the United States and Canada in the waters of the Great Lakes-St. Lawrence system, to the maintenance of the scenic beauty of Niagara Falls, and to the diversion of water from Niagara River. The exception from approval of these articles is proposed in order to meet objections which have been raised in connection with the constitutional issue on the ground that the subject matter of these articles could be handled only through treaties, since there would be involved the modification of rights established by earlier treaties between the United States and Canada. Also, the joint resolution would authorize the President to investigate the feasibility of making the Seaway self-liquidating.

The joint resolution should, therefore, afford an opportunity for considering the St. Lawrence proposal on its merits.

THOSE FOR AND AGAINST THE PROJECT

In the course of the extensive consideration that has been given to the project, many arguments for and against it have been presented by many individuals and groups. Those for the undertaking include government officials, many governors, and mayors; numerous chambers of commerce scattered widely over the north central part of the United States; several national farm organizations, notably the National Grange and the National Farmers Union; and many State farm-bureau organizations. Senator Aiken pointed out to the Senate in 1944 that approximately 700 labor unions—some international, some State, and some local—have endorsed the seaway and power project, including 62 labor unions in the city of Buffalo alone.

The National St. Lawrence Association, organized in 1944, with headquarters in Detroit, has been

¹ BULLETIN of Mar. 22, 1941, p. 307.

particularly active in support of the project. The predecessor of this organization was the Great Lakes-St. Lawrence Tidewater Association.

The opposition to the project has come mainly from railroads, lake carriers, power interests, coal and ore interests, and other related groups. Certain chambers of commerce, the National St. Lawrence Project Conference, certain labor unions in transportation and coal mining, and some cities and ports, such as Boston, New York, Buffalo, and New Orleans, have worked against it.

RAILROADS AND CARRIERS

Railroads and other carriers have held simultaneously that the Seaway is not needed and will not be used and that it will take away a large portion of their existing business. There is a mass of evidence to show that the Seaway is feasible from the standpoints of both economics and navigation and that it will be used. As for the contention that the Seaway will carve out a big slice of the carriers' existing business, the St. Lawrence survey, conducted by the Department of Commerce in 1941, points to the prospective increase in all freight traffic in the decade beginning in 1950. This increase is estimated at between 242 million and 374 million tons a year greater than the average of 1930-39. The 10 million tons of additional American traffic would be a fraction of the expected increase in shipping. Assuming that the average increase will be 300 million tons for the decade of 1950, the St. Lawrence Seaway would carry only 3 percent of the increase; railroads, highways, airways, and other waterways, 97 percent. Thus it is maintained that the St. Lawrence Seaway is an alternative method of meeting a part of our future transportation requirements.

With reference to the effect of the seaway and power project on the ports of Buffalo, Boston, and New York, the Commerce Department survey reported the following conclusions:

"The study indicates that New York will lose some foreign traffic and that Buffalo will lose some of its grain-transfer business. On the other hand, New York Harbor will acquire new water-borne traffic to and from the Great Lakes area. Similarly, Buffalo also will gain new traffic, both domestic and foreign. In each case, the additional traffic will more than offset the losses. The net gain for Boston will be largest of all."

It was pointed out that this conclusion is based upon the premise that the small amount of trans-

shipment business in foreign commerce which these ports would lose would be compensated by the increased coastwise movement of traffic and the growth of the economic activity of the country as a whole.

As for the fears expressed by other cities, particularly those of the South and Southwest, the survey's analysis concluded that those misgivings are based on the "improbable premise that this country's economy will remain static without any prospect of growth and expansion in the future, and upon an inaccurate analysis of the origin and destination of traffic to and from the Middle West."

Labor is assured by the survey that the increased activity in the Great Lakes ports, stemming from the increase in exports and imports as a result of the deep-water Seaway, would more than offset any displacement of workers due to diversion of traffic from American to foreign bottoms.

The supply of economically usable iron ore in the Great Lakes area is estimated to be sufficient to last only 15 to 20 years. The Commerce Department survey points out that "When the ultimate exhaustion of the Lake Superior resources is in sight, the self-protection of the iron and steel industry in the Great Lakes area requires, as an insurance, the availability of a source of ore other than Lake Superior mines. Low-cost, water-borne transportation via the Seaway would then become an absolute necessity if the steel industry in the Great Lakes area is not to disintegrate. . . ."

DIVISION OF COSTS

According to 1941 estimates the proposed seaway and power project will involve the expenditure of an additional \$277,000,000 by the United States and \$144,000,000 by Canada. Canada will be given credit for the \$133,000,000 already spent on the Seaway, principally in the construction of the Welland Canal, which was completed in 1932. The United States has spent only about \$17,000,000, exclusive of certain improvements made after the war started. Of the \$277,000,000 which was the United States share of the project's cost, New York State has offered to repay \$93,373,000 for the power, thus reimbursing the Federal Government for all United States expenditures in connection with the power-development phases of the project. The net cost to be borne by the Federal Government, which applies largely to the Seaway, was estimated in 1941 at approximately \$185,000,000

plus interest during the construction period. The 1941 estimate may have to be increased by about 15 percent to correspond to present-day costs.

Actually, the 2,350-mile Seaway, from Duluth, Minnesota, to the Atlantic Ocean, already exists except for a relatively small section. With the exception of some dredging here and there in the channels connecting the Lakes—principally in the St. Clair and Detroit Rivers—the major portion of the work will entail the construction of a power station, dams, locks, and canals in the St. Lawrence River between Ogdensburg, New York, and Montreal, Canada, a distance of 113 miles.

From the power plant at Massena, New York, the United States share will be 1,100,000 horsepower of electricity, the same as Canada's. Most of New York State and much of New England, both notably lacking in other sources of energy, lie within the area in which this vast supply of energy will be available. Interconnections would make it possible to ship power, in emergencies, as far as Chicago and Washington, D. C.

The energy to be generated at Massena is important, not just because this is the biggest, most productive example of international cooperation ever undertaken in this field, but also because human welfare is tied directly to the availability of energy.

In the early stages of man's development, he relied mainly upon his own exertion or upon draft animals for the energy needed in his daily tasks. His progress toward higher levels of living has been based for the most part upon energy from inanimate sources—coal, oil, fuelwood, gas, and falling water.

Nine tenths of the world's energy is now obtained from these sources; of these, falling water is of especial importance, for, unlike fuels, it satisfies man's energy requirements without impoverishing his resources for the future.

The special value of water power has been recognized in most of the world. Italy, Norway, Sweden, Switzerland, New Zealand, and Japan, with little energy available from other sources, have gone far in developing water power as an effective substitute. Countries with abundant resources of coal and other fuels also have developed their water-power resources, particularly in sectors like our Northeast that are remote from other sources of energy. The wisdom of this course is reflected not only in benefits accruing directly to the people from the availability of ample supplies of energy,

but also in the position of our country in the world family of nations. There is abundant evidence that the strength of nations, for peace or for war, is measured largely in terms of their capacity to produce energy and turn it to productive purposes.

The countries that consume large quantities of energy produce most of the world's raw materials, manufacture most of the world's processed goods, and transport most of the world's freight and passengers from one point to another. Before World War II the United States, the United Kingdom, the Soviet Union, and Germany, producing two thirds of the world's energy, provided roughly two thirds of the raw materials, manufactures, and transportation required in the world. This relation was no less true in wartime; for by 1944, when the United States was producing half the world's energy, it was producing half the world's airplanes, tanks, munitions, and other instruments of war.

The deep-water navigation made possible by the St. Lawrence project will help to promote the international trade so desirable to ourselves and so essential to the rest of the world. The power made available by this project will serve the same end—because the welfare of the world will depend to a considerable extent on the international exchange of manufactures and raw materials. Every bit of power that we add to our capacity increases our ability to absorb the world's raw materials and to provide the manufactures needed in areas less fortunately endowed with energy resources.

In the effort to produce more energy in the years ahead, the various nations will be striving toward the more efficient utilization of present sources and will be expanding facilities for utilizing resources hitherto untapped.

The United States has only begun to harness its water resources for the production of hydroelectric power. The proposed St. Lawrence power development would be one of the greatest of its kind in the world. The constant and even flow of power available there has been described as a "power engineer's dream."

INTERNATIONAL RELATIONS

In commenting on the St. Lawrence Seaway and Power Project, in a statement to the press on October 4, Under Secretary of State Dean Acheson said:

"... The rapids of the St. Lawrence have al-

(Continued on page 727)

Meeting of the Preparatory Commission Of the United Nations

AGREEMENT ON THE SECURITY COUNCIL

[Released to the press by the Preparatory Commission of the United Nations October 23]

After some further discussion unanimous agreement on the report concerning the Security Council was reached at today's meeting of the Executive Committee of the Preparatory Commission of the United Nations.

With a view to clarifying the situation which had arisen as a result of yesterday's discussion, Adlai Stevenson (who acted as chairman) made a statement on behalf of the United States Delegation in which he expressed his conviction that all delegations of the Executive Committee were equally anxious to bring the Security Council as soon as possible into being. Any suggestion, Mr. Stevenson said, that yesterday's discussion has brought out anything which would not conform with this common desire was wholly unwarranted. Unanimous agreement had been reached on the points which were important and the first measures taken which will put at the disposal of the Security Council the force it needs to maintain peace and security. It will be a most historic and significant step forward when the Military Staff Committee meets. For the first time in war or peace the chiefs of staff, or their representatives, of China, France, the Soviet Union, the United Kingdom, and the United States will all meet together, this time to work for the enforcement of lasting peace under the Charter of the United Nations. The peoples of the world are waiting for the Security Council to be established and to begin functioning with an intensity and hope and expectation that is certainly as great as for any of the other organs of the United Nations.

Mr. Stevenson then proposed a new preamble to the report on the Security Council in which article 24 of the Charter is quoted, according to which the members of the United Nations—

"In order to ensure prompt and effective action by the United Nations . . . confer on the Security

Council primary responsibility for the maintenance of international peace and security, and agree that in carrying out its duties under this responsibility the Security Council acts on their behalf."

It is furthermore said in the preamble that the recommendations of the report are made for the purpose of—

" . . . assisting the Security Council to organize itself initially as soon as possible and thus to be in a position to begin promptly the exercise of its responsibilities under the Charter."

The delegates of Australia, United Kingdom, Netherlands, Canada, China, France, Czechoslovakia, and Iran expressed their approval of the United States statement.

Mr. Hasluck (Australia) expressed pleasure that a clear statement of the United States position had been made. He accepted the new text of the preamble as a compromise, though he would still prefer it if the business of the Security Council had been listed rather more fully. He had not been suspicious of the Security Council but had objected to the "hands off" policy which had become apparent in the discussion of the Security Council.

Professor Webster (U.K.) mentioned the importance of the Military Staff Committee and said that his delegation would like to see the Military Staff Committee organized and set up as promptly as possible.

Adrian Pelt (Netherlands) pointed out that, while the United States proposal did not quite meet the point of view of the Netherlands Delegation, he would accept it.

The Executive Committee then adopted the report on the Security Council, and after some further discussion also the report on financial arrangements (Committee 7).

DISCUSSION ON THE SECRETARIAT

[Released to the press by the Preparatory Commission of the United Nations October 23]

The Committee then took up the report on the arrangements for the Secretariat (Committee 6). Dr. Pelt, presenting the report, said that unanimous agreement had been reached in Committee 6 on parts of the report, whereas other parts were being submitted to the Executive Committee with a two-thirds majority and in one instance only with a single majority.

M. Gromyko (U.S.S.R.) said that his delegation objected to the proposed structure of the Secretariat, being of the opinion that separate secretariats should be established.

Mr. Stevenson (U.S.) offered as a suggestion for possible consideration that the Secretariat should be organized on a basis corresponding to the functions of the principal organs of the United Nations and that each of the organs of the United Nations should always have at its disposal such staff as may be required for the performance of work falling within its competence.

M. Gromyko did not find this proposal acceptable. He said that it did not touch the substance of the matter, and left the fundamental scheme for the organization of the Secretariat unchanged.

Professor Webster said that this fundamental difference could not be resolved by any formula.

The British Delegation had at first been attracted by the Soviet proposal, but on giving it closer attention it found the original scheme to allow for greater efficiency.

M. Massigli (France) said that the Soviet Delegation might like to know why he and other delegates had adopted the original proposal of the report. The reason was that the Soviet proposal would result in an enormous increase in staff and corresponding expenditure.

Referring to one particular point of the report Professor Webster suggested that the proposed department for trusteeship should not be authorized to undertake the work in connection with the suppression of slavery in non-self-governing territories only. Slavery, Professor Webster said, did not exist only in non-self-governing territories, and in drafting the report attention should be given to the fact.

Throughout the discussion the Soviet and Yugoslav Delegates maintained their objections to the proposed scheme for the organization of the Secretariat. The Czechoslovak Delegation abstained on one point, while supporting the Soviet proposal in all other points. The Czechoslovak Delegate (Dr. Kerno) explained that the provision of the one point on which he abstained could be embodied into the Russian proposal.

With these objections noted the report was approved.

DISCUSSIONS ON THE REPORT ON THE GENERAL ASSEMBLY

[Released to the press by the Preparatory Commission of the United Nations October 24]

The Executive Committee met today in almost continuous session with a last meeting convened for 8:30 p.m. to clear up some of the outstanding points on the agenda. Today's discussion was devoted entirely to the report on the General Assembly, which is one of the last two sub-committee reports still awaiting the Executive Committee's approval.

In the report discussed today it was suggested that the General Assembly and the other principal organs of the United Nations should be convened at the earliest possible moment so that prompt attention could be given to the consideration of pressing world problems. For this purpose it was proposed to divide the first session of the General Assembly into two parts: (1) organizational; (2) substantive. It was, however,

pointed out that urgent matters could also be raised at the first part of the General Assembly, which will be held in London early in December.

At the beginning of the meeting the Soviet Delegation, M. Gromyko, announced that he had several observations to make. He first objected to the creation of a special committee to deal with matters concerning the agenda of the General Assembly. This committee, he maintained, was not necessary since its functions could be carried out by the main committee of the General Assembly.

This suggestion met with the approval of most delegates, and it was eventually agreed to transfer agenda questions to the General Committee of the Assembly.

M. Gromyko then expressed doubts as to whether the creation of a special nomination committee was necessary. This led to a prolonged

discussion, in which the Soviet point of view was supported by the delegates of Australia, Mexico, Czechoslovakia, and Yugoslavia, but opposed mainly by the delegates of the Netherlands and China. Professor Webster (U. K.) said that he held no strong views on the subject. He mentioned a document advocating the nomination committee which, in the committee stage, had had strong Soviet support.

[Released to the press by the Preparatory Commission of the United Nations October 25]

After prolonged but unsuccessful attempts at reconciling divergent views on the constitution of the General Assembly the Executive Committee proceeded today to take vote on one of the thorniest problems, that of the composition of the General Committee.

Agreement had been reached on the functions of the General Committee, which would have to assist the General Assembly in directing its work.

M. Gromyko (U.S.S.R.) insisted throughout the discussion, which went on well past midnight yesterday and was continued this morning, that the principle of broad representation by states should be applied in the election of the members of the Committee. He also maintained that the decision about the composition of the General Committee should not be taken now but later on by the Preparatory Commission, so that the problem could be meanwhile studied more thoroughly.

On the other hand, a number of delegates felt that not only the question of equitable geographical distribution but also considerations of personal competence should be a guiding principle for the nomination.

Three votes were taken on the part of the report dealing with the General Committee.

The Soviet point of view was supported by Czechoslovakia and Yugoslavia; a compromise proposal was carried, according to which the Soviet amendment as suggested by the minority would be recorded in the report to the Preparatory Commission. France and Iran abstained from the vote.

As a result the original recommendations will go forward to the Preparatory Commission, according to which the General Committee will be composed of a President, seven Vice-Presidents, and the chairmen of the main committees and of the Credentials and Agenda Committees.

After 16 hours of intensive discussion, during which very great but unsuccessful attempts were made to reach unanimity, the Executive Committee adopted tonight the report on the General Assembly. The great bulk of the report was approved, though certain proposals concerning the structure and composition of the committees of the General Assembly did not secure the necessary majority for inclusion among the recommendations going forward to the Preparatory Commission. In such cases the views of both the majority and the minority were explained in footnotes of the report so that the members of the Preparatory Commission would be in a position to understand the issues at stake.

A series of votes was taken in the course of the discussion, with the Soviet, Yugoslav, and Czechoslovak Delegates maintaining their objections to the majority proposals. The delegates of China and France abstained from voting in a number of cases.

At the end of today's meeting it was agreed to suggest to the Preparatory Commission that a planning commission should be established at the earliest possible moment, which should advise the Secretary-General on all arrangements necessary for providing the physical facilities required by the United Nations. The members of the Planning Commission will be nominated by the Secretary-General on an international basis. The chairman of the Commission should be a high official of the United Nations Secretariat, and the members should be recognized experts.

DISCUSSIONS ON LOCATION OF UNITED NATIONS PERMANENT HEADQUARTERS

[Released to the press by the Preparatory Commission of the United Nations October 26]

The Executive Committee today resumed discussion on the location of the permanent headquarters of the United Nations. Questions still to be settled were those of practical procedure and of choosing a specific site in the United States.

In a memorandum the Executive Secretary had raised the question of whether the Secretary-General, with the bulk of the Secretariat, should pro-

ceed immediately on election to the permanent headquarters or whether, on the contrary, it would be better to make arrangements for some interim regime. The Australian Delegation submitted to the Executive Committee a revised version of the Executive Secretary's paper, and a discussion ensued on which of the recommendations comprised in the two documents should go forward to the Preparatory Commission. Wellington Koo (China), criticizing the Executive Secretary's paper, expressed some concern at the allusion to an internationalized enclave which might be required to accommodate the headquarters of the United Nations. He said that, in view of the fact that the majority of the Executive Committee had voted in favor of the United States, it was questionable whether an internationalized territory should be regarded as a necessary condition.

M. Massigli (France) emphasized that before deciding on the precise site the necessary conditions for it should be laid down.

Professor Webster (U.K.), supporting M. Massigli's point, said that it was necessary to establish these conditions very clearly so that no controversy should arise between the host government and the United Nations.

Mr. Turgeon (Canada) suggested that the Preparatory Commission should take effective steps toward starting negotiations with the United States Government.

Mr. Stevenson (U.S.), replying to a question of the Canadian Delegate, restated the United States Government's attitude toward the setting up of the United Nations headquarters in the United States. He said that the United States had not sought nor would they in future seek for the headquarters of the United Nations to be set up in the United States. This decision must be arrived at by all of the United Nations, free from any influence or pressure on the part of the United States Government. The best evidence of the United States position was indicated by Mr. Stettinius' abstention from voting when the issue was before the Executive Committee. The United States had made it equally clear that it was eager to welcome the United Nations should they choose to select the United States as the permanent seat.

The Executive Committee met later in the afternoon to continue the discussion on the further pro-

cedure for the selection of a place for the United Nations headquarters. A revised recommendation which had meanwhile been prepared by a subcommittee failed to find approval.

The Australian Delegate (Mr. Hasluck) pressed his view that, after having selected the United States, the Executive Committee should turn its attention to the choice of a specific site and the requisite requirements.

M. Massigli (France) objected on the ground that there should be no decision on the site until the draft treaty had been drawn up embodying the requirements necessary for the establishment of the headquarters.

Ratification of the Charter of The United Nations

[Released to the press October 31]

Since the Charter of the United Nations came into force on October 24, instruments of ratification of that document have been deposited with the Department of State for Greece, India, and Peru.

Greece

Cimon P. Diamantopoulos, Ambassador of Greece, deposited his Government's instrument of ratification of the Charter on October 25.

India

Sir Girja Shankar Bajpai, K.C.S.I., K.B.E., C.I.E., Resident General of India, on October 30 deposited the Indian instrument of ratification of the Charter.

Peru

Pedro Beltrán, Ambassador of Peru, deposited on October 31 the instrument of ratification of the Charter by Peru.

The fourth paragraph of article 110 of the Charter provides that "The states signatory to the present Charter which ratify it after it has come into force will become original Members of the United Nations on the date of the deposit of their respective ratifications." The Charter is now in force with respect to 32 nations.

Food and Agriculture Organization of

FOOD AND AGRICULTURE SUBCOMMITTEE OF THE EMERGENCY ECONOMIC COMMITTEE FOR EUROPE

THE EMERGENCY ECONOMIC COMMITTEE for Europe consists of representatives of the Governments of Belgium, Denmark, France, Greece, Luxembourg, the Netherlands, Norway, Turkey, the United Kingdom, and the United States of America. The Governments of Czechoslovakia and Yugoslavia are represented by observers. It is hoped that all the European Allies will accept full membership shortly.

The Emergency Economic Committee is an advisory body which has no executive powers and can only act by means of recommendations to its member governments. It provides a place where European governments can consult together and where they can raise questions of production, supply, and distribution which need to be discussed and considered on a common basis. Its objective is to assist countries of Europe to help themselves and to help each other before appealing for outside assistance to the rest of the world.

The Emergency Economic Committee for Europe has set up subcommittees dealing with food and agriculture, industry and materials, public utilities, enemy exportable surpluses. Of these subcommittees, the Food and Agriculture Subcommittee has been the most active.

At the outset of its deliberations, the Food and Agriculture Subcommittee concentrated upon the assistance which could be given to European countries to insure the full harvesting of the 1945 crops and the preparations for sowing for the 1946 harvest. To this end special surveys of immediate requirements for agricultural machinery, tractors, and fertilizers were initiated.

In collecting and correlating the information obtained from European governments, the Food and Agriculture Subcommittee was able to make use of the Combined Working Party.

The Combined Working Party had been set up in 1944 to prepare estimates of the food and agriculture positions in European countries. This

Working Party consisted at the outset of representatives of UNRRA, the United States, and the United Kingdom. At the suggestion of the Food and Agriculture Subcommittee of the Emergency Economic Committee for Europe three representatives of European governments have been added to the Central Committee of the Combined Working Party. Although the Combined Working Party maintains a separate entity, it works in close association with the secretariat of the Emergency Economic Committee for Europe.

The Food and Agriculture Subcommittee has given special consideration to the necessity of adapting to immediate post-war conditions the existing methods of allocation and coordinated purchasing of foodstuffs in world short supply. It has also prepared a series of recommendations regarding the disposal of such European food surpluses as are available. These documents have been submitted to the Combined Food Board with the suggestion that the new proposals should be adopted as part of the international allocation machinery.

The Emergency Economic Committee recommended that representatives of European countries should be added to the Combined Food Board Commodity Committees where such countries had a substantial interest as producers or consumers of the commodities concerned. The Combined Food Board was itself considering a similar suggestion, and invitations have now been issued to a number of European as well as other countries to become members of the Combined Food Board Commodity Committees.

Special attention has been given by the Food and Agriculture Subcommittee to steps which are necessary to see that Combined Food Board allocations are implemented in European countries. Allocations are made, usually, on a quarterly basis. In some cases deliveries do not take place within the expected period. On the other hand, there have been cases where countries have been able to purchase larger quantities of the commodities in question than the formal allocation justifies. The Food and Agriculture Subcommittee has, therefore, established a system whereby the Euro-

e United Nations

pean governments will make periodic returns of the allocated foodstuffs received, so that if there is material delay in the receipt of such foodstuffs the Emergency Economic Committee for Europe can take the matter up with the Combined Food Board or with the supplying countries concerned.

As a part of this work a special Fertilizer Working Committee has been set up on the recommendation of the Food and Agriculture Subcommittee to take over from the Operations Group of the London Fertilizers Committee responsibility for the coordination of all arrangements in Europe necessary to give effect to the efficient production, procurement, and shipment of fertilizers in accordance with the allocations of the Combined Food Board. The Fertilizer Working Committee is not only steering the supplies of fertilizers to where they are needed in Europe; it is also encouraging production of fertilizers in the European countries.

In September the Food and Agriculture Subcommittee organized a conference of food and agriculture statisticians. A separate report is submitted on this conference.

At the beginning of October a European Seeds Conference was held to make recommendations regarding the redistribution of seeds in Europe. It was attended by representatives of European countries needing seeds for their 1946 season and also by countries having supplies of seeds available for export. This conference was attended by the chairman of the Seeds Committee of the Combined Food Board and by representatives of the Control Commissions of occupied territories.

Arrangements have been made for a special European conference to be held in London in October to discuss the question of the infestation of foodstuffs. This conference will be attended by experts from the European countries who will review the measures adopted during the war for destroying rats, mice, and insects whose depredations lead to the loss of enormous quantities of valuable food supplies. The European conference will consider not only what measures the different European countries can take to reduce infestation and loss but also, in that rats, mice, and insects know no national boundaries, what international

measures can be adopted in Europe to safeguard supplies in transit and in warehouses.

A further European conference has been arranged to discuss the new insecticides invented during the period of the war and the benefits these can confer on agriculture and on the preservation and storage of foodstuffs.

Much of the statistical and other information which the Food and Agriculture Subcommittee is collecting in conjunction with the Combined Working Party will be of direct interest to the Food and Agriculture Organization. Arrangements have been made to keep the Interim Commission informed of the activities of the Food and Agriculture Subcommittee, so that, when at a later date the Food and Agriculture Organization itself assumes the responsibilities which are being entrusted to it, it will be able to take up and carry forward much of the work which the Food and Agriculture Subcommittee of the Emergency Economic Committee for Europe has begun.

On the recommendation of the Food and Agriculture Subcommittee of the Emergency Economic Committee for Europe a conference was held in London during the week beginning the 17th September of European food and agriculture statisticians to consider the collection and compilation on comparable bases and the utilization of food and agriculture statistics of the different European countries.

This conference was arranged in association with UNRRA and the Interim Commission, and preliminary plans for the conference were worked out in cooperation with the Combined Working Party.

The conference was attended by representatives of Belgium, Canada, Denmark, France, Luxembourg, the Netherlands, Norway, United Kingdom, and United States of America. Czechoslovakia, Yugoslavia, and the U. S. S. R. sent observers. Representatives also attended on behalf of UNRRA, the Combined Food Board, the Allied Commissions of Austria, Rome, C. M. F., and the Control Commission in Germany.

The conference concentrated its attention more on the methods and techniques of assembling and analyzing data rather than on the actual statistics themselves. Sources and coverage of the main statistics were reviewed with the object of

elucidating differences of treatment. The occasion was also taken to exchange information on developments resulting from experience gained by individual countries and by individual groups during the war years.

Much had been done before the war to improve and standardize agricultural-production statistics, but little comparable progress had been made in statistical work on the utilization of supplies or on food-consumption levels. Special features of the program were the food-consumption-level inquiry undertaken jointly for their own three countries in 1943 by the United Kingdom, the United States, and Canada, and the studies of the food and agriculture situations in European countries begun early in 1944 by the Combined Working Party on European Food Supplies.

The conference held five plenary sessions at which papers were read and discussed on matters relating to food and agriculture statistics. Five working groups were set up for the discussion, respectively, of the special problems connected with:

1. Cereals, potatoes, sugar, and feedingstuffs
2. Milk, dairy produce, fats, and oils
3. Meat
4. Fish
5. Nutrient factors in foodstuffs generally

The conference was highly successful, partly in regard to the definite recommendations it made and partly in consequence of the personal contacts which were established between members of the Combined Working Party and the statisticians from the European countries.

The conference agreed as to the bases to be adopted for the collection of future statistics and authorized the Combined Working Party to issue as soon as possible suggested definitions of terms currently used in its work. It was further agreed that a digest of European statistics on food and agriculture should be prepared by the Combined Working Party for circulation to the Emergency Economic Committee for Europe, the Combined Food Board, UNRRA, the Food and Agriculture Organization, and the liaison committees in countries represented at the conference.

It may be said that, as a result of the conference, the Combined Working Party has now been

definitely established as the recognized authority for collecting and coordinating statistical information regarding food and agriculture in European countries and that the material which it provides should be more rapidly available and enable such organizations as the Emergency Economic Committee for Europe, the Combined Food Board, et cetera, to plan their activities on a more factual foundation than has been possible in the past.

POSITION OF SOVIET DELEGATION REGARDING FAO

Report by the Chairman¹

This morning I had a conversation with the head of the Soviet Delegation. He assured me that his Government has the same objectives and sets for itself the same tasks as FAO, that it endorses the idea of international cooperation for the improvement of agricultural production and the bettering of the food situation of the United Nations.

The Government of the U.S.S.R. feels, however, that the organizational forms of FAO still require study. It has also become necessary for the Soviet Union to consult on these questions with those Soviet Union republics which are large producers of agricultural products and agricultural raw materials.

For these reasons the U.S.S.R. is abstaining from becoming a member of the FAO at this time and its representatives will continue to attend the first session of the FAO only as observers.

I know that I am speaking for every member of the Conference when I say that it is our earnest hope that the Government of the U.S.S.R. will soon be able to accept the constitution of the FAO, which is the first of the specialized organizations to be set up under the United Nations. The U.S.S.R., as a member of the United Nations and as one of the nations which has already ratified the Charter, will be greatly interested and concerned in the work of FAO. We hope, therefore, that it will not be long before it expresses that interest by accepting all the rights and obligations of full membership in our organization.

FINAL PLENARY SESSION

The final plenary session of the Conference on Food and Agriculture of the United Nations, which met in Quebec, was held on November 1.

¹Made at the plenary session on Oct. 27, 1945. L. B. Pearson, Canadian Ambassador to the U.S., is chairman of the Conference.

U.S. Supply Arrangements for the Middle East

[Released to the press October 30]

The recent joint statement by the United States and the United Kingdom Governments announcing the dissolution of the Middle East Supply Center on November 1, 1945¹ expressed the desire of the two Governments that normal private trading channels be resumed as rapidly as practicable and their desire to assist the governments of the Middle East during the period of transition from wartime restrictions to normal peacetime commercial practices not only in maintaining essential supplies but also in adjusting their economies in an orderly manner to the new conditions.

To achieve these objectives, the United States Government will for the time being continue the office of the regional Economic Counselor in Cairo, with such staff as is required, to assist the Middle East countries in meeting their essential needs for commodities from the United States remaining in short supply. This office will at all times work in close conjunction with American officers at the various diplomatic posts in the Middle East. Questions relating to the supply of scarce commodities from British-controlled sources should, of course, be addressed to the British Supply Mission (Middle East), with which the office of the regional Economic Counselor will maintain close relations.

The only limits imposed by United States regulations on the export of commodities from the United States, now that the shipping situation has been relieved, will be those necessitated by supply shortages. On September 10, 1945 the United States supply authorities placed most commodities under "general license", which means that they can be exported without restriction.² There remains a limited group of commodities of which the supply is still such as to require some export restriction and forward programming in order to insure a fair world-wide distribution taking into account the needs of liberated areas.

This group of commodities which the United States still subjects to export-licensing control is made up primarily of foodstuffs but also includes

leather and some leather manufactures, rubber and a few rubber products (including tires), a very limited list of drugs and chemicals, cotton textiles and yarn, lumber and sawmill products, newsprint, a few petroleum products, a selected list of iron and steel manufactures, lead and tin, trucks and passenger cars, and fertilizers. Certain of these, principally in the field of foodstuffs, the United States is for the present unable to supply. A list of commodities unavailable from the United States will be communicated to the Middle East governments within the next few days. With respect to the remainder, it is anticipated the steady improvement in the supply situation in the United States will make it possible to meet Middle East demands within reasonable limits.

Where allocations are necessary they will be established and administered by export-licensing authorities in the United States. The appropriate officials of the Middle East governments will be kept fully informed of such restrictions. No grading or reviewing of individual import licenses will be undertaken by United States authorities either in Washington or in the Middle East.

Communications with the local governments on allocations and other matters relating to imports from the United States will be through the United States diplomatic missions in the area, which will work in close conjunction with the office of the regional Economic Counselor in carrying out the desire of the American Government to assist the Middle East countries in meeting the problems of transition to peacetime conditions of trade.

MILLER—Continued from page 719.

ways constituted a natural barrier to our foreign trade. At a time when we are making every effort to clear the channels of world commerce as a step toward world peace, we should remove this natural barrier. . . .

"For well over a century the United States and Canada have worked together in peace and partnership. One of the few pending matters between the two countries is the approval of the 1941 agreement with Canada providing for the construction of the St. Lawrence Seaway and Power Project."³

¹ BULLETIN of Sept. 30, 1945, p. 493.

² BULLETIN of Sept. 16, 1945, p. 397.

³ BULLETIN of Oct. 7, 1945, p. 529.

Far Eastern Advisory Commission

ADVISERS TO UNITED STATES REPRESENTATIVE

[Released to the press October 29]

The Department of State announced on October 29 that Mr. Erle R. Dickover and Col. C. Stanton Babcock will be advisers to Maj. Gen. Frank R. McCoy, United States Representative on the Far Eastern Advisory Commission. Mr. Dickover was formerly Chief of the Division of Japanese Affairs in the Department.

APPOINTMENT OF TEMPORARY SECRETARY

[Released to the press October 29]

The Honorable Nelson T. Johnson, formerly United States Ambassador to China and Minister to Australia, has been appointed temporary Secretary of the Far Eastern Advisory Commission.

APPOINTMENT OF INDIAN REPRESENTATIVE

[Released to the press October 29]

The Government of India has accepted the invitation of the United States Government to attend the meeting of the Far Eastern Advisory Commission. The Indian Resident General in Washington, Sir Girja Shankar Bajpai, has been appointed as his country's representative on the Commission.

LIST OF REPRESENTATIVES

AUSTRALIA

Dr. H. V. Evatt, *Minister for External Affairs*

CANADA

Mr. Lester B. Pearson, *Canadian Ambassador in Washington*

CHINA

Dr. Wei Tao-ming, *Chinese Ambassador in Washington*

FRANCE

Mr. P. E. Naggiar, *Former French Ambassador to China and Russia*

GREAT BRITAIN

Lord Halifax, *British Ambassador in Washington*

Alternate: Sir George Sansom, *Minister Counselor of British Embassy, Washington*

INDIA

Sir Girja Shankar Bajpai, *Indian Resident General in Washington*

NETHERLANDS

Dr. A. Loudon, *Netherlands Ambassador in Washington*

NEW ZEALAND

Mr. C. A. Berendsen, *New Zealand Minister in Washington*

PHILIPPINES

Brig. Gen. Carlos Romulo, *Resident Commissioner of the Philippines*
Alternate: Mr. Tomas Confesor, *Member of Filipino Rehabilitation Commission*

UNITED STATES

Maj. Gen. Frank R. McCoy

OPENING SESSION ¹

Statement by THE SECRETARY OF STATE

[Released to the press October 30]

It is a pleasure to follow the President in extending a cordial welcome to you who have been designated by your governments to meet together to consider the non-military problems involved in implementing Japan's instrument of surrender.²

From the beginning of the war it has been the purpose of the United States Government that this great struggle should be won and the resulting peace should be maintained by the cooperation and the joint action of the United Nations concerned.

Immediately after the surrender of Japan this Government proposed the establishment of this Commission.

I am happy that today you have met to organize and make plans for the future.

It is the hope of our Government that there should be adopted measures adequate to effect the military security of peaceful nations and at the same time to bring about such a change in the spirit and the ambitions of the Japanese Government and people that in the future Japan may live in peaceful association with other nations.

To create conditions which will facilitate this transformation in Japan will require the utmost wisdom, and not only wisdom, but understanding, tolerance, and faith.

The establishment of an advisory commission with as many members and of the character of this Commission is an interesting experiment.

¹ Held in Washington on Oct. 30, 1945.

² The President received representatives of the participating nations at the White House on Oct. 30, 1945 at 11:15 a.m.

Representing different governments, it is certain that you have varying interests and varying views about the problems involved in the occupation of Japan. In order to function effectively it will be necessary that each representative should be willing to sympathetically consider the viewpoint of his colleagues and in a spirit of cooperation make concessions to each other.

While I know the task may be a difficult one, I am sure that the Commission will function with efficiency. My confidence is based upon the thought that if we could cooperate to win the war we certainly should be able to cooperate in implementing the terms of surrender.

I shall now ask General Frank McCoy, the representative of the United States on this Commission, to act as temporary chairman.

Motion Presented by CHINESE REPRESENTATIVE

The following motion was presented by Dr. Wei Tao-ming, Representative of China on the

Far Eastern Advisory Commission, at its opening session on October 30, 1945:

"In view of the fact that new suggestions have been made with regard to the terms of reference of this Commission and that they are being examined by the United States, China, the United Kingdom, and the Soviet Union, the four powers which initiated the invitations for this Commission to meet, the Chinese Delegation believes that it will be advantageous to the progress and outcome of this Conference if the said powers are allowed sufficient time to continue their discussions with a view to reaching an agreement before the Conference proceeds further. Besides, there are so many documents which have just been distributed that all the delegations would certainly need time to study.

I move, therefore, that for these purposes the Conference be adjourned for one week to be re-assembled on November 6, 1945."

Japanese Reparations Mission

ANNOUNCEMENT BY THE PRESIDENT

[Released to the press by the White House November 1]

The President announced on November 1 that Ambassador Edwin W. Pauley, the personal representative of the President on reparations matters, would leave for the Far East early this month for the purpose of developing a program for exacting reparations from Japan. The President announced at the same time the members of Ambassador Pauley's staff who will accompany him.

In making the announcement the President said:

"The problem of what to do with Germany and Japan is one of the greatest challenges in the whole effort to achieve lasting peace.

"The program for reparations from Germany which was developed by Ambassador Pauley and adopted at the Berlin Conference will go a long way toward helping us achieve complete victory over Germany, by depriving her of the means ever again to wage another war. The reparations program which Ambassador Pauley will develop for Japan will be directed toward the same fundamental goal—to put an end for all time to Japanese aggression.

"In carrying out this mission for me Ambassador Pauley and his staff will work in close cooperation with General MacArthur and his staff and will make full use of the surveys which have already been made by the industrial experts now on General MacArthur's staff."

MEMBERS OF THE MISSION

EDWIN W. PAULEY, Personal Representative of President and Chief of Mission

MARTIN T. BENNETT, industrial engineer

Lt. Col. G. S. CARTER, chief of secretariat

Dr. ARTHUR G. COONS, special adviser to Chief of Mission

JOSIAH E. DUBOIS, counsel and financial adviser

LUTHER H. GULICK, adviser on government and administration

Comdr. J. P. HURNDALL, resources consultant

DAVID R. JENKINS, agricultural economist

WILLIAM GREEN JOINSTON, industrial consultant

STANLEY E. JOINER, secretary

CHARLES KARL, secretary

OWEN LATTIMORE, chief economist

Sgt. JOHN MATTLES, secretary

H. D. MAXWELL, special assistant to Chief of Mission

BENJAMIN OLSEN, secretary

Directive from General MacArthur to the Imperial Japanese Government

1. In order to remove restrictions on political, civil and religious liberties and discrimination on grounds of race, nationality, creed or political opinion, the Imperial Japanese Government will:

a. Abrogate and immediately suspend the operation of all provisions of all laws, decrees, orders, ordinances and regulations which:

(1) Establish or maintain restrictions on freedom of thought, of religion, of assembly and of speech, including the unrestricted discussion of the Emperor, the Imperial Institution and the Imperial Japanese Government.

(2) Establish or maintain restrictions on the collection and dissemination of information.

(3) By their terms or their applications, operate unequally in favor of or against any person by reason of race, nationality, creed or political opinion.

b. The enactments covered in Paragraph a, above, shall include, but shall not be limited to, the following:

(1) The peace preservation law (Chian Iji Ho, law number 54 of 1941, promulgated on or about 10 March 1941).

(2) The protection and surveillance law for thought offense (Shiso Han Hogo Kansatsu Ho, law number 29 of 1936, promulgated on or about 29 May 1936).

(3) Regulations relative to application for protection and surveillance law for thought offense (Shiso Han Hogo Kansoku Ho Shiko Rei, Imperial ordinance number 401 of 1936, issued on or about 14 November 1936).

(4) Ordinance establishing protection and surveillance stations (Hogo Kansoku-Jo Kaneica Imperial ordinance number 403 of 1936, issued on or about 14 November 1936).

(5) The precautionary detention procedure (Ministry of Justice order, Shihosho Rei, number 50, issued on or about 14 May 1941).

(7) The national defense and peace preservation

law (Kikubo Hoan Ho, law number 49 of 1941, promulgated on or about 7 March 1941).

(8) National defense and peace preservation law enforcement order (Kokubo Hoan Ho Shiko Rei, Imperial ordinance number 542 of 1941, issued on or about 7 May 1941).

(9) Regulations for appointment of lawyers under peace preservation laws (Bengoshi Shitei Kitei, Ministry of Justice order, Shihosho Rei, number 47 of 1941, issued on or about 9 May 1941).

(10) Law for safeguarding secrets of military material resources (Gunyo Shigen Himitsu Hogo Ho, law number 25 of 1939, promulgated on or about 25 March 1939).

(11) Ordinance for the enforcement of the law for safeguarding secrets of military material resources (Gunyo Shigen Himitsu Hogo Ho Shiko Tei, Imperial Ordinance number 413 of 1939, issued on or about 24 June 1939).

(12) Regulations for the enforcement of the law of safeguarding secrets of military material resources (Gunyo Shigen Himitsu Hogo Ho Shiko, Kisaku Ministries of War and Navy ordinance nr 3 of 1939, promulgated on or about 26 June 1939).

(13) Law for the protection of military secrets (Gunki Hogo Ho, law number 72 of 1937, promulgated on or about 17 August 1937, revised by law number 58 of 1941).

(14) Regulations for the enforcement of the law for the protection of military secrets (Gunki Hogo Ho Shiko Kisku, Ministry of War ordinance nbr 59, issued on or about 12 December 1939 and revised by Ministry of War ordinance numbers 6, 12 and 58 of 1941).

(The religious body law (Shukyo Dentai Ho, law number 77 of 1939, promulgated on or about 8 April 1939).

(16) All laws, decrees, orders, ordinances and regulations amending, supplementing or implementing the foregoing enactments).

c. Release immediately all persons now detained, imprisoned, under "protection or surveillance", or whose freedom is restricted in any other

manner who have been placed in that state of detention, imprisonment, "protection and surveillance", or restriction of freedom:

(1) Under the enactments referred to in Para 1 a and b above.

(2) Without charge.

(3) By charging them technically with a minor offense, when, in reality, the reason for detention, imprisonment, "Protection and Surveillance", or restriction of freedom, was because of their thought, speech, religion, political beliefs, or assembly. The release of all such persons will be accomplished by 10 October 1945.

d. Abolish all organizations or agencies created to carry out the provisions of the enactments referred to in Para 1 a and b above and that part of, or functions of, other offices or sub divisions of other civil departments or organs which supplement or assist them in the execution of such provisions. These include, but are not limited to:

(1) All secret police organs.

(2) Those departments in the Ministry of Home Affairs, such as the Bureau of Police, charged with supervision of publications, supervision of public meetings and organizations, censorship of motion pictures, and such other departments concerned with the control of thought, speech, religion or assembly.

(3) Those departments, such as the special higher police (Tokubetsu, Koto, Keisatsu Bu), in the Tokyo Metropolitan Police, the Osaka Metropolitan Police, and other Metropolitan Police, the Police of the Territorial Administration of Hokkaido and the various prefectural police charged with supervision of publications, supervision of public meetings and organizations, censorship of motion pictures, and such other departments concerned with the control of thought, speech, religion or assembly.

(4) Those departments, such as the Protection and Surveillance Commission, and all Protection and Surveillance Stations responsible thereto under the Ministry of Justice charged with protection and surveillance and control of thought, speech, religion, or assembly.

e. Remove from office and employment the Minister of Home Affairs, the Chief of the Bureau of Police of the Ministry of Home Affairs, the Chief of the Tokyo Metropolitan Police Board, the Chief of Osaka Metropolitan Police Board, the Chief of

any other Metropolitan Police, the Chief of Police of the Territorial Administration of Hokkaido, the Chiefs of each prefectural police department, the entire personnel of the special higher police of all metropolitan, territorial and prefectural police departments, the guiding and protecting officials and all other personnel of the Protection and Surveillance Commission and of the Protection and Surveillance Stations. None of the above persons will be reappointed to any position under the Ministry of Home Affairs, the Ministry of Justice or any police organ in Japan. Any of the above persons whose assistance is required to accomplish the provisions of this directive will be retained until the directive is accomplished and then dismissed.

f. Prohibit any further activity of police officials, members of police forces, and other government, national or local, officials or employees which is related to the enactments referred to in Para 1 a and b above and to the organs and functions abolished by Para 1 d above.

g. Prohibit the physical punishment and mistreatment of all persons detained, imprisoned, or under protection and surveillance under any and all Japanese enactments, laws, decrees, orders, ordinances and regulations. All such persons will receive at all times ample sustenance.

h. Ensure the security and preservation of all records and any and all other materials of the organs abolished in Para 1 d. These records may be used to accomplish the provisions of this directive, but will not be destroyed, removed, or tampered with in any way.

i. Submit a comprehensive report to this Headquarters not later than 15 October 1945 describing in detail all action taken to comply with all provisions of this directive. This report will contain the following specific information prepared in the form of separate supplementary reports:

(1) Information concerning persons released in accordance with Para 1 c above. (To be grouped by prison or institution in which held or from which released or by office controlling their protection and surveillance).

(a) Name of person released from detention or imprisonment or person released from protection and surveillance, his age, nationality, race and occupation.

(b) Specification of criminal charges against

each person released from detention or imprisonment or reason for which each person was placed under protection and surveillance.

(c) Date of release and contemplated address of each person released from detention or imprisonment or from protection and surveillance.

(2) Information concerning organizations abolished under the provisions of this directive:

(a) Name of organization.

(b) Name, address, the title of position of persons dismissed in accordance with Para 1 e.

(c) Description by type and location of all files, records, reports, and any and all other materials.

(3) Information concerning the prison system and prison personnel.

(a) Organization chart of the prison system.

(b) Names and location of all prisons, detention centers and jails.

(c) Names, rank and title of all prison officials (governors and assistant governors, chief and assistant chief wardens, wardens and prison doctors).

(4) Copies of all orders issued by the Japanese Government including those issued by the governors of prisons and prefectural officials in effectuating the provisions of this directive.

2. All officials and subordinates of the Japanese Government affected by the terms of this directive will be held personally responsible and strictly accountable for compliance with and adherence to the spirit and letter of this directive.

Pearl Harbor Investigation

[Released to the press October 31]

At his press and radio news conference on October 31, the Secretary of State called attention to the portion of the report of the Army Pearl Harbor Board which referred to Secretary Hull and which was released to the press on August 29, 1945.

The Secretary cited that section of the report (page 223) which states "Evidently the action 'to kick the whole thing over' was accomplished by presenting to the Japanese the counterproposal of the 'Ten Points'¹ which they took as an ultimatum. It was the document that touched the button that started the war, as Ambassador Grew so aptly expressed it." The Secretary also cited a later reference in the report (page 224) that "It seems well established that the sending of this 'Ten Point' memorandum by the Secretary of State was used by the Japanese as a signal of starting the war by the attack on Pearl Harbor."

Mr. Byrnes called attention to the Navy League speech of Secretary Forrestal of October 27 in New York, which Mr. Byrnes said was based upon documents found on the Japanese heavy cruiser *Nachi*, which was sunk in the harbor of Manila Bay. Those documents included the original plans for the attack on Pearl Harbor, the Secretary added, and disclosed the following: The operation

plan providing for the outbreak of the war and the attack on Pearl Harbor was published on the 5th of November, 1941 as Combined Fleet Top Secret Operation Number One and Y-Day was set in Combined Fleet Top Secret Number Two published on November 7, 1941, which fixed the 8th of December, 1941, Japanese time, and the 7th of December, 1941, United States time, as Y-Day.

At the request of correspondents, Secretary Byrnes authorized the following comment for direct quotation:

"The so-called ultimatum of Secretary Hull was dated the 26th of November and I call attention to these original documents of the Japanese in the hope that it may forever dispose of the claim of the statement of the Army Board that the so-called ultimatum of Secretary Hull started the Japanese war. It was three weeks before Mr. Hull gave his 'Ten Point' memorandum to the representatives of Japan that official orders were given that the Japanese Fleet should attack on the 7th of December. I may say that you will all be glad to know that the Secretary of State did not start the war with the ultimatum, but three weeks before that, the Japanese had given orders to attack on December 7th and I wanted to dispose of that in justice to my good friend Secretary Hull."

¹ See *Peace and War, U. S. Foreign Policy 1931-1941*, Department of State publication 1983, p. 811.

Departure from Shanghai of the S.S. "Lavaca"

[Released to the press October 31]

The Department of State has received from the American Consulate General at Shanghai a list of civilian personnel which left Shanghai on board the S.S. *Lavaca* on October 13, 1945. The ship is expected to arrive at San Francisco on November 2. The names of the passengers are listed in press release 821. The following table is a summary of the passenger list by countries:

<i>Nationality</i>	<i>Number</i>
American -----	173
British -----	87
Canadian -----	29
French -----	23
Swiss -----	17
Chinese -----	8
Swedish -----	8
Portuguese -----	6
Netherlands -----	5
Egyptian -----	3
Belgian -----	1
Total -----	360

Dickson Reck Returns From China

[Released to the press November 2]

Dickson Reck, specialist in industrial standards, organization, and management, who has been for the past year in China under the cultural-cooperation program of the Department of State, has recently returned to the United States. Mr. Reck accompanied S. T. Shang, Secretary-General of the Chinese Standards Committee, to the meeting of the United Nations Standards Coordinating Committee held in New York on October 8. During the next three months Mr. Reck and Mr. Shang will visit American standardizing agencies, engineering societies, and manufacturing plants to arrange for the transmission of technical data and American specifications to the Chinese Standards Committee. Mr. Shang is also instructed by the Chinese Government to become familiar with American methods of developing and extending standards into industrial and agricultural production and distribution practice and to get a

first-hand impression of American production methods in order to facilitate the development of standards in China.

Mr. Reck assisted the Chinese Government in organizing their national standards organization, in developing the methods and procedures for establishing standards, and in building a program of standards development work.

Areas Opened for Civilian Travel

[Released to the press October 30]

The Joint Chiefs of Staff with the concurrence of the Secretary of State have removed all areas except Germany, Austria, the main islands of Japan, Formosa, Nansei Shoto and Nanpo Shoto, and Korea from the list of areas of active operations into or through which civilians may not go without a military permit.

The approval of the Supreme Allied Commander, Southeast Asia, must be obtained, however, for civilian travel in the Southeast Asia Command, which comprises Burma, Siam (Thailand), Malaya, Sumatra, Java, Borneo, Celebes, New Guinea, and the Solomon Islands. This approval is obtained by the State Department from the Supreme Allied Commander, Southeast Asia.

Although military control of travel has been greatly diminished, the critical situation with regard to living conditions and transportation continues to prevail in areas formerly under military control as well as in other European and Asiatic areas. Consequently, Americans are advised to undertake only the most essential travel this winter, bearing in mind that all liberated countries are suffering from lack of heat, housing, and transportation and have acute shortages of food. Furthermore, transportation to the United States is difficult to obtain in most instances owing to the movement homeward of American military forces, and civilian travelers may therefore expect a delay of from six months to a year in returning to the United States.

Passport applications will be accepted for the areas listed as under military control only in cases of strong national interests. Passport applications for travel to other areas are discouraged, as

indicated above, and should be restricted to those persons having urgent and compelling business or personal reasons for proceeding abroad.

The clerks of Federal courts throughout the country are being furnished with detailed information regarding civilian travel in critical areas, and those desiring to avail themselves of such information should make inquiry to the clerk of the nearest Federal court. American diplomatic and consular officers abroad will continue to render all possible help under existing conditions to American businessmen traveling in the national interest.

Mail Service to Italy

[Released to the press November 1]

The Department of State announced on November 1 that expanded parcel-post and regular mail service will become available to Italy and the Vatican City as of November 2, 1945. The extended service will be available to all of Italy except the provinces of Trieste, Gorizia, Fiume, Pola, and Zara. However, gift parcels may be sent to the cities of Trieste, Gorizia, and Pola.

Gift parcels up to 11 pounds in weight are now acceptable for dispatch to the above-designated localities. Only one parcel may be sent by the same sender to the same addressee in Italy during any 7-day period. Packages may not exceed \$25 in value and must be conspicuously marked "gift parcel". The customs declaration must clearly indicate the contents and value of each parcel. Only one declaration is required for each parcel. Packages may contain only such items as are not prohibited in the international mails to Italy and must conform to the regulations established by the Foreign Economic Administration.

Regular mail service has been extended to all of Italy with the exception of the five provinces of Trieste, Gorizia, Fiume, Pola, and Zara and now comprises letters, postcards, printed matter in general, printed matter for the blind, commercial papers, and samples of merchandise. Airmail articles for these areas may not exceed one pound. First-class matter may be registered, but special-delivery service is not available at this time.

Regular mail service to the five provinces above mentioned is still restricted to postcards and letters weighing not more than two ounces for dispatch by air and surface means.

Hungarian Minister to the United States

[Released to the press November 2]

The United States Government has informed the Hungarian Provisional Government that it is agreeable to the appointment of Aladar de Szegedy-Maszkas as Envoy Extraordinary and Minister Plenipotentiary from Hungary to the United States.

Recognition of Government Of Venezuela

[Released to the press October 30]

Secretary of State Byrnes announced on the afternoon of October 30 that the Government of the United States has extended full recognition to the Government of Venezuela, which is now organized under Señor Rómulo Betancourt.

The American Ambassador in Caracas informed the new Minister for Foreign Affairs of Venezuela of this action.

Before making its decision to recognize the new Government of Venezuela the Government of the United States of America exchanged views and consulted with the governments of the other American republics.

Normal Relations With New Brazilian Administration

[Released to the press November 3]

The Secretary of State announced on November 2 that the American Ambassador at Rio de Janeiro, Adolf A. Berle, Jr., was instructed to carry on normal relations with the new administration in Brazil. He stated further that the question of recognition did not arise since established procedures were followed in the assumption of the executive power by the President of the Federal Supreme Court of Brazil. The Secretary added that consultation with other American republics reflects general agreement with this position.

Postscripts on the Third Inter-American Radiocommunications Conference

By ROBERT R. BURTON and DONALD R. MACQUIVEY¹

AS RADIO COMMUNICATIONS ARE developed in the next few years, the related problems will be met with greater ease, partially because of the success of the Third Inter-American Radiocommunications Conference.

In 1937 the First Inter-American Radio Conference was convened in Habana, Cuba, to draw up a basic radio agreement (called the Inter-American Radiocommunications Convention), regulations in the form of an Inter-American Arrangement Concerning Radiocommunications, and a North American Regional Broadcasting Agreement. The Second Inter-American Radio Conference was held in Santiago, Chile, in 1940 and the Habana arrangement, which further implemented the basic agreements of the Habana convention, was revised. The Third Inter-American Radio Conference,² which was scheduled to be held in Rio de Janeiro in 1943 but which was delayed by the war, opened on September 3, 1945 and concluded its discussions on September 25. The signing of the Inter-American Radiocommunications Convention took place on September 27, 1945.

At the opening sessions of the Conference, it was decided to create four major committees:

1. Initiatives
2. Juridical-Administrative
3. Technical
4. Drafting

The Initiatives Committee considered all proposals from the various delegations and apportioned them either to the Juridical-Administrative Committee or to the Technical Committee. The Juridical-Administrative Committee handled the bulk of the work of redrafting the Habana convention to bring it down to date. The Technical Committee concerned itself with frequency allo-

cations and other technical problems. The Drafting Committee prepared the final documents in English, French, Spanish, and Portuguese.

Within the Juridical-Administrative Committee four subcommittees were created to deal with problems on organization, rates, miscellaneous administrative questions, and freedom of information. Adolf A. Berle, Jr., American Ambassador to Brazil, was especially active in the work of the Subcommittee on Freedom of Information, which handled such items as interchange of cultural broadcast programs, interchange of news and information, rights in broadcasts, and radio communications to multiple destinations. These subjects were subsequently incorporated into the Rio de Janeiro convention as articles 25 to 28, inclusive.

The United States Delegation to the Conference consisted of representatives of the Departments of State, War, Navy, and Commerce, the Federal Communications Commission, and the Office of Inter-American Affairs. Ambassador Berle was chairman.

For many months prior to the Conference, the American Delegates and other interested participants had made a thorough study of the Habana convention for the purpose of revising it to suit present needs. As a result of this preparation, the American Delegation was able, shortly after the opening of the Conference, to lay before the other delegations a revised text of the Habana convention, in English, Spanish, and Portuguese.

¹ Mr. Burton is Chief of the Radio Overseas Utilization Section, International Information Division, Office of International Information and Cultural Affairs, Department of State. Mr. Burton was a member of the U. S. Delegation.

Mr. MacQuivey is Divisional Assistant, Telecommunications Division, Office of Transport and Communications Policy, Department of State.

² See "Third Inter-American Radio Conference", by Harvey B. Otterman, *BULLETIN* of Aug. 26, 1945, p. 292.

The immediate effect was to focus the thinking of all the delegations on the changes proposed. The outcome was the unanimous adoption of most of these proposals. Compromises were made on those portions of the revised convention which did not receive unanimous approval so that the final draft was acceptable to all parties.

The principal accomplishments of the Conference were:

- (1) the signing, on September 27, 1945, of a telecommunications convention;
- (2) adoption of regulations for future conferences;
- (3) adoption of a series of resolutions and recommendations; and
- (4) laying of the groundwork for a world telecommunications conference, so far as the American republics are concerned.

Of these, the only legally enforceable instrument is the convention, which must be ratified before it takes effect.

The convention includes a definition of the "American Region", wherein it will apply. Provision is made for the organization and operation of an Office of Inter-American Telecommunications (O.I.T.). This office would be a central repository and disseminating agency for information concerning inter-American telecommunications and would perform many of the functions for the Americas comparable with the responsibility on a world-wide basis of the Bureau of the International Telecommunication Union, located at Bern, Switzerland.

A new conference procedure involving three types was set up, which makes provision for relatively infrequent plenipotentiary conferences for the consideration of basic policies and the revision of inter-American telecommunications conventions, for administrative conferences at more frequent intervals to consider matters implementing the convention adopted at the plenipotentiary conferences, especially in the technical field, and for emergency conferences, which may be called on reasonably short notice, to consider specific urgent problems in restricted fields. Such meetings will be known as administrative conferences with limited agenda.

Finally, the Conference included in the convention, among other things, principles for the use of radio frequencies, principles regarding the establishment of rates, and arbitration procedure to

be followed in the event of disagreement. No priorities were set up regarding the type of service which would have first call on the use of radio frequencies, but it was recognized that the emergency services and those for which no other means of communication can be provided should be given primary consideration.

Considerable attention was given to the interchange of cultural, news, and information broadcast programs. The O.I.T. is to have a separate department to consider such problems.

The regulations attached to the convention provide specific details such as the set-up of future conferences, organization and membership of committees, their duties, and voting procedures.

Only two resolutions were adopted. One of these indicated that it was desirable to separate those problems of interest only to aviation from consideration in detail by the general telecommunications body, and to leave these details to the appropriate aviation organization. The other resolution regarded freedom of information in radio communications and recommended that regulations be adopted permitting free interchange of information in accordance with the American democratic views on the subject.

Several recommendations were adopted. These called for:

- (1) a broadcast conference to be held sometime soon after the world telecommunications conference;
- (2) a study of very-high-frequency (vhf) broadcasting to be conducted;
- (3) transmission of telecommunications information to the International Civil Aeronautics Organization;
- (4) a joint meeting of American region commissions of the International Meteorological Organization to consider its telecommunication needs;
- (5) definition of "meteorological telecommunications";
- (6) organization of an inter-American network of monitoring stations;
- (7) all broadcast receivers to cover the frequency range 535 kc to 1605 kc;
- (8) all American countries to adopt standard zone time, using only the time for meridians which are multiples of 15 degrees from the Greenwich meridian;
- (9) reduction in telecommunications rates;

- (10) elimination of special taxes;
- (11) expedition of press messages;
- (12) over-all study of rates; and
- (13) standardization in the American region of instruction of radio operators and technicians.

Subjects brought up for study preparatory to the next world conference included means whereby the speed of airline communication might be increased, training of amateurs who wish to operate radiotelephone equipment in the 14-megacycle band, a new frequency allocation list proposed by the United States, and the proposed Central Frequency Registration Board.

The United States Delegation felt that the Conference was very successful. It not only enabled representatives of the American republics to agree on the subjects discussed above but also provided a means for them to become better acquainted personally and to discuss mutual problems informally. No effort was made to develop a "hemisphere bloc" to act as a unit at the world conference. In fact, the expression of individual national views is encouraged. The objective—a better understanding of inter-American problems—was accomplished. As a result, much time and effort should be saved when the world telecommunications conference convenes.

Meeting of Anglo-American Caribbean Forestry Committee

According to the Anglo-American Caribbean Commission, a meeting of the Forestry Subcommittee of the Research Committee on Agriculture, Nutrition, Fisheries, and Forestry of the Caribbean Research Council will be held in Port-of-Spain, Trinidad, January 14–24, 1946.

In addition to attendance by members of the subcommittee, invitations have been extended to the governments concerned for the attendance of at least one forester from each of the following Caribbean territories: Trinidad and Tobago (representing also Barbados and the Windward and Leeward Islands), British Guiana, British Honduras, Jamaica, Martinique, Guadeloupe, Netherlands Guiana, Puerto Rico, and the Virgin Islands. The three island republics of Cuba, Haiti, and the Dominican Republic have also been invited to send forestry experts as observers to the meeting.

The meeting will deal on a technical level with forest problems in the Caribbean region and will (1) examine the present status of forest research, (2) determine future needs in such research, and (3) formulate for the consideration of the Caribbean Research Council and the Anglo-American Caribbean Commission a program of future research and development.

Transmittal of U.S.-U.K. Petroleum Agreement to the Senate¹

Message of THE PRESIDENT

[Released to the press by the White House November 11]

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, if it approve thereof, I transmit herewith an agreement on petroleum between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland, signed in London September 24, 1945.

With the agreement I transmit for the information of the Senate the report made to me by the Secretary of State relating thereto, together with a copy of a letter addressed to me by the Secretary of the Interior and Petroleum Administrator for War relating to the agreement, and also a list of territories to which the agreement is intended to apply.

HARRY S. TRUMAN

THE DEPARTMENT

Alien Enemy Control Section

[Released to the press November 21]

By Departmental order effective October 24, the Secretary of State has established under Assistant Secretary Braden an Alien Enemy Control Section to handle the cases of enemy aliens who were brought to this country from other American republics during the course of the war and remain in the custody of this Government. The directive provides for the establishment of an orderly

¹ For text of the agreement, see BULLETIN of Sept. 30, 1945, p. 481. Enclosures not printed.

procedure for disposing of these cases on an individual basis in accordance with standards to be approved by the Secretary.

Immediately after the attack on Pearl Harbor and on a number of occasions thereafter, groups of enemy aliens considered to be dangerous to hemispheric security were deported to the United States from various of the other American republics for internment here with a view to later repatriation. A large number of these persons have already been repatriated to Germany, Italy, and Japan at their own request or with their consent, most of them during the war in exchange for Americans interned in enemy countries. A considerable number of others, including many who were leaders in anti-American activities, now decline to return to their native countries, wishing to move back to Latin America or to remain here. It is the disposition of the latter cases with which the new Alien Enemy Control Section is concerned.

The desirability of ridding this hemisphere of dangerous Axis nationals was recognized by all the American republics at the Mexico City conference last winter; the Final Act of that conference included a recommendation that measures be taken "to prevent any person whose deportation was deemed necessary for reasons of security of the Continent from further residing in this hemisphere, if such residence would be prejudicial to the future security or welfare of the Americas." Pursuant to that recommendation, on September 8 the President of the United States by proclamation authorized the Secretary of State to order the repatriation of dangerous alien enemies deported to this country during the war.¹

In proceeding with this program the Department intends to follow an orderly procedure wholly consistent with American concepts of fairness and equity. A preliminary review of the cases is now going on, with a view to releasing as quickly as possible those persons who may safely

be allowed to remain in this hemisphere. Any person who appears to be so clearly dangerous as to make his repatriation desirable will be given ample opportunity for a hearing, and before a repatriation order is issued his case will be reviewed by a high officer of the Department. Finally, the Department does not propose to order repatriation in any case until after consultation with the other American republic concerned.

The over-all objective of this program is to accomplish the purposes of resolution VII of the Mexico City conference, especially "to prevent Axis-inspired elements from securing or regaining vantage points from which to disturb or threaten the security or welfare of any [American] Republic". It is the policy of the Department to pursue that objective in close cooperation with the other American republics.²

Establishment and Functions of the Alien Enemy Control Section³

Purpose. The purpose of this order is to establish an Alien Enemy Control Section and to transfer certain responsibilities from the Special Projects Division to that Section.

1 Establishment of the Alien Enemy Control Section. There is hereby established an Alien Enemy Control Section (routing symbol A-Br/A), which will function under the direction and supervision of the Assistant Secretary for American Republic Affairs.

2 Functions. (a) The Alien Enemy Control Section will have responsibility for the initiation of policy and action with respect to all matters concerning the disposition of alien enemies, presently in the United States, who were removed from other American republics during the course of the war. In the discharge of its responsibility, this Section will have the following functions:

(1) The examination of all aspects of the problem in consultation with other interested agencies of the Government and officers of the Department.

(2) The preparation for approval of the Secretary of a statement of the standards to be employed in deciding and disposing of the cases in question.

(3) The making of recommendations to the Assistant Secretary for American Republic Affairs with respect to the establishment of an orderly and fair procedure for arriving at a decision in each case in the light of the standards approved by the Secretary, and for properly disposing of each case in accordance with such decision, the procedure to include: (i) a preliminary administrative review of each case; (ii) the providing of an opportunity for a hearing, before a board to be later constituted, in any case where the finding from such preliminary review is in favor of removal; and (iii) a final

¹ BULLETIN of Sept. 9, 1945, p. 361.

² For article, "Elimination of Axis Influence in This Hemisphere: Measures Adopted at the Mexico City Conference", by Thomas C. Mann, see BULLETIN of May 20, 1945, p. 924; see also BULLETIN of July 1, 1945, p. 21, for statement by Assistant Secretary Clayton on security against renewed German aggression.

³ Departmental Order 1352, dated Oct. 26, 1945, and effective Oct. 24, 1945.

review by an officer of the Department of a rank not less than Assistant Secretary in any case where the finding of the hearing board is in favor of removal.

(4) The assembling of all available evidence and information with respect to the enemy aliens in question.

(5) The conducting of a preliminary administrative review of each case and the carrying out or making of arrangements for such further steps as may be necessary for arriving at a decision on, and the disposing of each case in accordance with the procedure approved by the Assistant Secretary for American Republic Affairs.

(6) The handling of all pertinent correspondence and the answering of all pertinent inquiries on the subject of the enemy aliens in question. (The Division of Coordination and Review will take steps to insure that all outgoing correspondence referring to these persons, of whom a list will be provided, is routed through the Alien Enemy Control Section.)

(7) The consulting with the Department of Justice with respect to any litigation pending or which may arise in connection with the problem.

(8) In addition to the foregoing functions, the performing of all other functions which shall prove necessary to the fulfillment of its responsibility and which shall be approved by the Assistant Secretary for American Republic Affairs.

(b) It shall also be the responsibility of the Alien Enemy Control Section to collaborate with other offices and divisions of the Department in the formulation and execution of a program to implement Resolution No. VII of the Inter-American Conference on Problems of War and Peace with respect to enemy aliens in the other American republics. In all cases affecting such enemy aliens, the Special Projects Division shall consult with the Alien Enemy Control Section.

3 *Transfer of functions.* The responsibility of the Special Projects Division in connection with the initiation of policy and action with respect to all matters concerning the disposition of alien enemies, presently in the United States, who were removed from other American republics during the course of the war is hereby transferred to the Alien Enemy Control Section.

4 *Departmental orders amended.* Departmental Order 1301 of December 20, 1944, and any other orders, the provisions of which are in conflict herewith, are accordingly amended.

JAMES F. BYRNES

Establishment of the Interim Research and Intelligence Service¹

Purpose. This order is issued to establish the Interim Research and Intelligence Service (routing symbol IRIS) as an organizational entity in the Department of State for the period October 1 through December 31, 1945, pursuant to the provisions of Executive Order 9621 of September 20, 1945 (10 F.R. 17645).

1 *Establishment and functions of the Service.* There is hereby established the Interim Research and Intelli-

gence Service which shall be responsible for those functions of the Office of Strategic Services transferred to the Department of State by Executive Order 9621, until other disposition is made of these functions.

2 *Head of the Service.* The head of the Interim Research and Intelligence Service shall be the Special Assistant to the Secretary in charge of research and intelligence.

3 *Personnel, records, property and funds.* All personnel, records, property and appropriation balances transferred from the Office of Strategic Services to the Department of State by determination of the Bureau of the Budget, pursuant to Executive Order 9621, shall be placed initially under the Interim Research and Intelligence Service.

4 *Amendment of previous orders.* Any departmental orders, the provisions of which are in conflict herewith, are accordingly amended.

JAMES F. BYRNES

Establishment and Responsibilities of the Special Assistant to the Secretary in Charge of Research and Intelligence

Purpose. This Order establishes the position of Special Assistant to the Secretary in charge of research and intelligence and outlines his responsibilities.

1 *Position.* There is hereby established the position of Special Assistant to the Secretary in charge of research and intelligence, to rank with Assistant Secretaries.

2 *Responsibilities.* The Special Assistant to the Secretary in charge of research and intelligence shall be responsible:

(a) For advice and assistance to the Secretary with respect to the development of a coordinated program for the procuring and production of foreign intelligence needed by the Department of State.

(b) For advice and assistance to the Secretary with respect to the development of a comprehensive and coordinated foreign intelligence program for all Federal agencies concerned with that type of activity.

(c) For the direction of such organization units as are hereafter established in the Department for the procuring and production of foreign intelligence.

(d) For the direction, until December 31, 1945, of the Interim Research and Intelligence Service.

(e) For the performance of those functions of the Director of Strategic Services and of the United States Joint Chiefs of Staff, relating to the functions of the Interim Research and Intelligence Service, as are transferred to the Secretary of State pursuant to Executive Order 9621 of September 20, 1945 (10 F.R. 17645).

¹ Departmental Order 1350, dated Oct. 26, 1945 and effective Oct. 24, 1945.

² Departmental Order 1351, dated Oct. 26, 1945 and effective Oct. 24, 1945.

3 *Organization.* The office of the Special Assistant to the Secretary in charge of research and intelligence shall include such deputies, advisers, assistants and appurtenant staff as may be deemed necessary.

4 *Departmental Orders Amended.* Departmental Order 1301 of December 20, 1944 and any other orders, the provisions of which are in conflict herewith, are accordingly amended.

JAMES F. BYRNES

Divisions of Communications and Records and Central Services¹

Purpose. This order is issued to improve the organization of the Department by segregating the functions relating to communications and records.

1 *Reestablishment of a Division of Communications and Records.* There is hereby reestablished in the Office of Departmental Administration a Division of Communications and Records.

2 *Functions of the Division.* The Division of Communications and Records shall be responsible for the formulation of policies and the development and establishment of procedures and regulations governing the dispatch, receipt, and distribution of all correspondence and telegraphic communications that are transmitted via the diplomatic channels (telegraphic and diplomatic pouch) between the United States and other countries. Specifically it shall:

(a) Formulate the policies, procedures, and regulations governing the general use of such diplomatic channels for the above communications;

(b) Negotiate with other agencies of the United States Government concerning their use of such diplomatic channels;

(c) Establish methods of coordination for the outgoing communications originating in other Government agencies for transmission via these channels, in order to eliminate any conflict in policy as expressed in them and determine the clearances required for such communications;

(d) Determine the routing of all incoming communications within the Department, for action and information, the distribution of copies of outgoing telegrams and airmgrams for information within the Department of State and the paraphrase and distribution of telegrams and airmgrams to other Government agencies;

(e) Operate the telegraph office of the Department of State, including the coding and decoding of security messages for all Government departments;

(f) Formulate regulations for the use of the diplomatic channels of communication by private individuals and organizations, including negotiation with United States censorship and customs officials;

(g) Administer and operate the system for transmit-

ting written communications within the Department of State and between the Department and the foreign missions and Government agencies in Washington, including the messenger system of the Department, and operate the domestic mail handling system for the Department;

(h) Have general jurisdiction over the filing system and record-retirement program for Departmental correspondence and the operation of the central Departmental files and records;

(i) Have responsibility for developing research into files and records in connection with requests from the Department and other agencies for technical data and information;

(j) Collaborate with the Division of Foreign Reporting Services as regards those functions transferred to its jurisdiction from DC/L to maintain the accurate distribution and dispatching of that type of reporting services for which FR is held responsible.

3 *To maintain supervision of DC/L functions.* The liaison functions of the Commercial Liaison Section (DC/L) shall be the responsibility of the Division of Communications and Records except for those specific operations which are assigned to FR.

4 *Functions of the Division of Central Services.* Functions of the Division of Central Services, other than those described in paragraphs 2 and 3 of this order, will continue to be the responsibility of the Division of Central Services.

5 *Effective date.* The transfer of the existing communications and records functions shall be made as of November 1, 1945. The transfer of the functions of the Diplomatic Mail and Pouch Section and any related mail activities and of messenger functions shall be effective at dates to be specified by the Director of the Office of Departmental Administration.

6 *Transfer of personnel and records.* The personnel at present performing any of the functions hereby assigned to the Division of Communications and Records, together with the records and equipment pertaining thereto, are hereby transferred to that division.

7 *Routing symbols.* The routing symbol for the Division of Communications and Records shall be DC; the routing symbol for the Division of Central Services shall be changed to CS. The corresponding symbols for the several subordinate units of the two divisions shall be changed accordingly.

8 *Departmental order amended.* Departmental Order 1301 of December 20, 1944 (section XVII, paragraph 4) is hereby amended.

JAMES F. BYRNES

Appointment of Officers

Lt. Richard F. Cook as Executive Officer in the Office of Transport and Communications Policy, effective October 25, 1945.

Walter K. Scott as Chief of the Division of Communications and Records, effective October 30, 1945.

¹ Departmental order 1354, dated Oct. 29, 1945 and effective Nov. 1, 1945.

THE CONGRESS

Additional Appropriation, Fiscal Year 1946, for United Nations Relief and Rehabilitation Administration. H.Rept. 1166, 79th Cong., to accompany H.J.Res. 266. 7 pp. [Favorable report.]

United Nations Relief and Rehabilitation Administration, 1946: Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, Seventy-ninth Congress, first session, on a House joint resolution making appropriations for the United Nations Relief and Rehabilitation Administration for the fiscal year 1946. ii, 273 pp.

Supplemental Estimates of Appropriation and Drafts of Proposed Provisions for the Department of State. Communication from the President of the United States transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$9,060,059.36, together with drafts of proposed provisions pertaining to existing appropriations, for the Department of State. H.Doc. 367, 79th Cong. 3 pp.

Study of Immigration and Naturalization Laws and Problems: Hearings before the Committee on Immigration and Naturalization, House of Representatives, Seventy-ninth Congress, first session, pursuant to H.Res. 52, authorizing a study of immigration and naturalization laws and problems. Part 1, April 24 and May 2, 1945, iii, 42 pp.; Part 2, July 3, 1945, iii, 24 pp.

To Grant a Quota to Eastern Hemisphere Indians and To Make Them Racially Eligible for Naturalization: Hearings before the Committee on Immigration and Naturalization, House of Representatives, Seventy-ninth Congress, first session, on H.R. 173, H.R. 1584, H.R. 1624, H.R. 1746, H.R. 2256, H.R. 2609, bills to grant a quota to Eastern Hemisphere Indians and to make them racially eligible for naturalization. Part 2, July 3, 1945. ii, 2 pp.

Return of Vested Property to Persons Not Hostile to the United States: Hearing before Subcommittee No. 1 of the Committee on the Judiciary, House of Representatives, Seventy-ninth Congress, first session, on H.R. 3750, a bill to amend the First War Powers Act, 1941, September 12, 1945, Serial No. 7. iii, 60 pp.

THE FOREIGN SERVICE

Consular Offices

The American Consulate General at Batavia, Java, was established on October 24, 1945.

P u b l i c a t i o n s

of the DEPARTMENT OF STATE

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., who is the authorized distributor of Government publications. To avoid delay, address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

★*The Proclaimed List of Certain Blocked Nationals*, Cumulative Supplement No. 7, October 25, 1945, containing additions, amendments, and deletions made since Revision IX of February 28, 1945. Publication 2401. 118 pp. Free.

Promulgated under presidential proclamation of July 17, 1941, as authorized under the Trading with the Enemy Act, being a list of persons deemed to be or to have been acting in collaboration with the enemy, and also of persons to whom the export of materials from the United States is deemed to be detrimental to the interest of national defense.

A cumulative list of the publications of the Department of State, from October 1, 1929 to July 1, 1945 (publication 2373) may be secured from the Department of State.

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THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 333

NOVEMBER 11, 1945

In this issue

THE STATE-WAR-NAVY COORDINATING COMMITTEE

By Harold W. Moseley, Colonel Charles W. McCarthy, and Commander Alvin F. Richardson

DOCUMENTS RELATING TO ITALIAN ARMISTICE

CORRESPONDENCE CONCERNING ITALIAN PEACE TREATY

*For complete contents
see inside cover*



THE DEPARTMENT OF STATE

BULLETIN

VOL. XIII • No. 333 •



• PUBLICATION 2424

November 11, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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The State-War-Navy Coordinating Committee

By HAROLD W. MOSELEY, *Department of State*
Colonel CHARLES W. MCCARTHY, *War Department*
Commander ALVIN F. RICHARDSON, *Navy Department*

LACK OF COORDINATION between the State, War, and Navy Departments has been a rather common theme of critics of governmental administration. Only recently has there been any reference to the existence of a State-War-Navy Coordinating Committee in public statements by top Government officials. Nevertheless, it is a fact that there was created in December 1944 a very active Committee which has provided a much-needed working link between the military and those responsible for foreign policy. Until the end of the war the existence of this Committee, for security and other reasons, has been a classified "confidential" subject, instructions having been issued that there should be no discussion of it outside the three Departments.

Purpose and Authority of the Committee

The State-War-Navy Coordinating Committee (SWNCC) was established as the result of an exchange of letters between the Secretaries of the State, War, and Navy Departments, for the purpose of "improving existing methods of obtaining for the State Department advice on politico-military matters and of coordinating the views of the three departments on matters in which all have a common interest, particularly those involving foreign policy and relations with foreign nations." In actual practice, the Committee has gone further than its original purpose of furnishing guidance only for the benefit of the State Department. SWNCC is also used by the War and Navy Departments, as well as

the Joint Chiefs of Staff, as the medium through which the military are advised by the State Department of the political aspects of a particular problem.

The authority of the Committee has been recently defined and formalized in a memorandum signed by Mr. Byrnes, Mr. Patterson, and Mr. Forrestal, which designates SWNCC "as the agency to reconcile and coordinate the action to be taken by the State, War, and Navy Departments on matters of common interest and, under the guidance of the Secretaries of State, War, and Navy, establish policies on politico-military questions referred to it." Action taken by SWNCC is construed as action taken in the names of the Secretaries of State, War, and the Navy, and decisions of the Committee establish the approved policy of the three Departments. Decisions of the Committee are referred to the President for approval when appropriate.

Composition of SWNCC

The departmental representatives on this Committee are Assistant Secretary of State James C. Dunn, chairman; Assistant Secretary of War John J. McCloy; and Under Secretary of the Navy

Mr. Moseley is Special Assistant to the Director of the Office of European Affairs and a member of the Secretariat of SWNCC. Colonel McCarthy was formerly an Army member on the secretariat of SWNCC and is now an Executive Officer for the Assistant Secretary of War. Commander Richardson is a Navy member on the secretariat of SWNCC.

Artemus L. Gates. Mr. H. Freeman Matthews, Director of the Office of European Affairs of the Department of State, is acting chairman in Mr. Dunn's absence, and Mr. Lovett, Assistant Secretary of War for Air, has been substituting for Mr. McCloy during the latter's tour abroad. The secretariat consists of three officers from each of the three Departments, with a supporting force of WAVES, WAC, and civilian personnel.

Subcommittees have been created to consider matters relating to a particular geographic area or special subjects. These subcommittees act as working parties and report to the parent Committee. At present there are standing subcommittees for European Affairs, for the Far East, for Latin America, for the Near and Middle East, for Technical Information Security Control, and for Re-armament. *Ad hoc* committees have also been created for such purposes as effecting collaboration between the State, War, and Navy Departments on the security functions of the United Nations Organization, considering articles for peace treaties, and authorizing the release of security data.

Subjects Considered by SWNCC

The subjects considered by SWNCC, as indicated by the names of its subcommittees, are limited neither by their nature nor by their geographic location. Most of the documents prepared by SWNCC are generally of a classified nature, although they are occasionally made public. In speaking of the work of SWNCC at the time of the Japanese surrender, Secretary Byrnes told the press on August 22 that the State Department, Army, and Navy have a joint committee which has been working on the details of the surrender and its program of occupation ever since the day of surrender; that the three departments have been in daily contact as a result of that Committee; and that he was deeply impressed by what was being done by our representatives under the direction of General MacArthur. The Secretary said that he had gone over the drafts at great length and that it was a tremendous task but that it was being handled in a methodical, businesslike way that really made him feel very good about the progress being made. One of these documents to which the Secretary referred was the "U. S. Initial Post-Surrender Policy for Japan,"¹ which was

released by the White House on September 22 and was widely approved by the press.

In addition to the preparation of policy for the control of Japan, SWNCC has been active in the drafting of directives for the control of Germany and Austria. The Committee has also been of considerable value as a medium in coordinating the views of the three Departments for the purpose of determining policy for presentation of United States proposals at international conferences. During the existence of the European Advisory Commission in London, SWNCC was often used as a means for obtaining the United States viewpoint on subjects introduced into that Commission which were of a politico-military nature. Similarly, it is planned that the United States representative on the Far Eastern Advisory Commission will make use of the Committee's services.

Functioning of SWNCC

All three Departments have cooperated full-heartedly in placing at the disposal of the Committee and its secretariat the advice and assistance of specialists and advisers. Through the Office of the Chief of Staff and the Office of the Chief of Naval Operations, staff studies can be undertaken as the Committee may desire. Other Government departments and agencies are also consulted when their advice seems desirable.

Close liaison with the Joint Chiefs of Staff is effected through the secretariat of SWNCC and the working groups of subcommittees. Most papers originating in SWNCC are referred to the JCS for their consideration from the military point of view before final approval is given. Quite often, at the working level, members of a SWNCC subcommittee will collaborate in a report with one of the committees of the JCS. The Joint Chiefs of Staff in their turn refer papers to SWNCC to obtain the benefit of the Committee's views.

SWNCC papers are prepared in "military" form similar to that used by the British War Cabinet and the Joint Chiefs of Staff. Reports are broken down into five headings: the Problem, Facts Bearing on the Problem, Discussion, Conclusions, and Recommendations.

Papers which do not require discussion and in which all departments and agencies concerned are

¹ BULLETIN of Sept. 23, 1945, p. 423.

in substantial agreement are approved informally by the members of the Committee. In other instances where it is felt that discussion is desirable, papers are placed on the agenda for formal meetings of the Committee which take place about once a week. The usual procedure is to refer a problem to a subcommittee or an *ad hoc* committee, and have that subcommittee submit its report for the consideration of the parent committee.

Supervision of Liaison Activities

When the Committee was organized it was agreed that it should exercise general guidance and supervision over liaison activities between the three Departments. However, it was decided that the Committee should not attempt to interfere with existing liaison contacts which were working efficiently, nor should the Committee attempt to have funneled through it the ordinary day-to-day conduct of business between the Departments. Studies to improve liaison channels have, however, been undertaken.

Future of SWNCC

Although SWNCC was established during a war it does not follow that peace will bring an early end to its existence. On the contrary, it appears that peace has brought with it an increasing number of problems of a politico-military nature. Close and effective coordination between the military and those responsible for our foreign

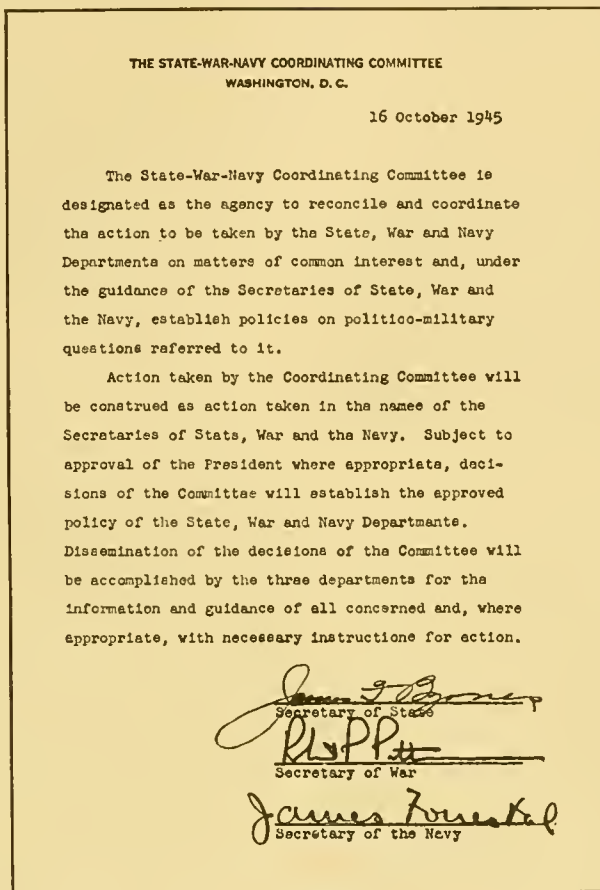
policy is a prerequisite to the successful solution of these problems. The State-War-Navy Coordinating Committee appears to offer a logical medium for such coordination.

If it accomplishes nothing else, SWNCC does bring the uniformed men and the civilians together at the same table and eliminates much of the old formalistic exchange of views by letters and memoranda. We have learned in this war that coordination is necessary not only at the top but also at the staff working level. Through the facilities of SWNCC and its subcommittees this coordination is obtained at both levels.

If it is true that our foreign policy is our first line of national defense, then it follows that there must be close and continuous coordination between the State Department and the military agencies of the Government. It is

significant that several of the plans which have been proposed in connection with the question of unification of the armed services provide for representation by the Secretary of State. The "Eberstadt Report",¹ for example, proposes a post-war security organization which would include a National Security Council which would take over the functions at present performed by the State-War-Navy Coordinating Committee. It would appear quite possible that SWNCC may evolve into such an agency.

¹ Report to the Honorable James Forrestal on *Unification of the War and Navy Departments and Post-War Organization for National Security* (Senate Committee on Naval Affairs, 79th Cong., 1st sess., Oct. 22, 1945), p. 7.



Documents Relating to Italian Armistice¹

Italian Military Armistice

[Released to the press November 6]

SICILY,
September 3rd, 1943.

The following conditions of an Armistice are presented by

General DWIGHT D. EISENHOWER,

Commander-in-Chief of the Allied Forces, acting by authority of the Governments of the United States and Great Britain and in the interest of the United Nations, and are accepted by

Marshal PIETRO BADOGLIO

Head of the Italian Government.

1. Immediate cessation of all hostile activity by the Italian armed forces.

2. Italy will use its best endeavors to deny, to the Germans, facilities that might be used against the United Nations.

3. All prisoners or internees of the United Nations to be immediately turned over to the Allied Commander-in-Chief, and none of these may now or at any time be evacuated to Germany.

4. Immediate transfer of the Italian Fleet and Italian aircraft to such points as may be designated by the Allied Commander-in-Chief, with details of disarmament to be prescribed by him.

5. Italian merchant shipping may be requisitioned by the Allied Commander-in-Chief to meet the needs of his military-naval program.

6. Immediate surrender of Corsica and of all Italian territory, both islands and mainland, to the Allies, for such use as operational bases and other purposes as the Allies may see fit.

7. Immediate guarantee of the free use by the Allies of all airfields and naval ports in Italian territory, regardless of the rate of evacuation of the Italian territory by the German forces. These ports and fields to be protected by Italian armed

forces until this function is taken over by the Allies.

8. Immediate withdrawal to Italy of Italian armed forces from all participation in the current war from whatever areas in which they may now be engaged.

9. Guarantee by the Italian Government that if necessary it will employ all its available armed forces to insure prompt and exact compliance with all the provisions of this armistice.

10. The Commander-in-Chief of the Allied Forces reserves to himself the right to take any measure which in his opinion may be necessary for the protection of the interests of the Allied Forces for the prosecution of the war, and the Italian Government binds itself to take such administrative or other action as the Commander-in-Chief may require, and in particular the Commander-in-Chief will establish Allied Military Government over such parts of Italian territory as he may deem necessary in the military interests of the Allied Nations.

11. The Commander-in-Chief of the Allied Forces will have a full right to impose measures of disarmament, demobilization and demilitarization.

12. Other conditions of a political, economic and financial nature with which Italy will be bound to comply will be transmitted at later date.

The conditions of the present Armistice will not be made public without prior approval of the Allied Commander-in-Chief. The English will be considered the official text.

Marshal PIETRO BADOGLIO
*Head of the Italian
Government*

DWIGHT D. EISENHOWER
*General, U.S. Army
Commander in Chief
Allied Forces.*

by:
GIUSEPPE CASTELLANO
*Brigadier General, at-
tached to The Italian
High Command*

by:
WALTER B. SMITH
*Major General, U.S.
Army
Chief of Staff.*

¹ Released simultaneously in Washington, London, and Rome on Nov. 6, 1945.

PRESENT: Rt. Hon. HAROLD MACMILLAN
British Resident Minister, AFHQ

ROBERT MURPHY
Personal Representative of the President of the United States

ROYCE DICK
Commodore, R.N.
Chief of Staff to the C. in C. Med.

LOWELL W. ROOKS
Major General, U.S. Army
Assistant Chief of Staff, G-3, AFHQ

FRANCO MONTANARI
Official Italian Interpreter

Brigadier KENNETH STRONG
Assistant Chief of Staff, G-2, AFHQ

Additional Conditions of Armistice With Italy¹

Whereas in consequence of an Armistice dated September 3, 1943 between the United States and United Kingdom Governments acting in the interests of all the United Nations on the one hand, and the Italian Government on the other hand, hostilities were suspended between Italy and United Nations on certain terms of a military nature.

And whereas in addition to those terms it was also provided in the said Armistice that the Italian Government bound themselves to comply with other conditions of a political, economic and financial nature to be transmitted later;

And whereas it is convenient that the terms of a military nature and the said other conditions of a political, economic and financial nature should without prejudice to the continued validity of the terms of the said Armistice of September 3rd, 1943, be comprised in a further instrument;

The following, together with the terms of the Armistice of September 3, 1943, are the terms on which the United States, United Kingdom and Soviet Governments, acting on behalf of the United Nations, are prepared to suspend hostilities against Italy so long as their military operations against Germany and the Allies are not obstructed and Italy does not assist these powers in any way and complies with the requirements of these governments.

These terms have been presented by General DWIGHT D. EISENHOWER, Commander-in-Chief, Allied Forces, duly authorized to that effect;

and have been accepted unconditionally by Marshal PIETRO BADOGLIO, Head of the Italian Government representing the Supreme Command of the Italian land, sea and air forces and duly authorized to that effect by the Italian Government.

1. (A) The Italian land, sea and air forces wherever located hereby surrender. Italian participation in the war in all Theaters will cease immediately. There will be no opposition to landings, movements or other operations of the Land, Sea and Air Forces of the United Nations. Accordingly, the Italian Supreme Command will order the immediate cessation of hostilities of any kind against the Forces of the United Nations and will direct the Italian Navy, Military and Air Force authorities in all Theaters to issue forthwith the appropriate instructions to those under their Command.

(B) The Italian Supreme Command will further order all Italian Naval, Military and Air Forces or authorities and personnel to refrain immediately from destruction of or damage to any real or personal property, whether public or private.

2. The Italian Supreme Command will give full information concerning the disposition and condition of all Italian Land, Sea and Air Forces, wherever they are situated and of all such forces of Italy's Allies as are situated in Italian or Italian occupied territory.

3. The Italian Supreme Command will take the necessary measures to secure airfields, port facilities, and all other installations against seizure or attack by any of Italy's Allies. The Italian Supreme Command will take the necessary measures to insure Law and Order, and to use its available armed forces to insure prompt and exact compliance with all the provisions of the present instrument. Subject to such use of Italian troops for the above purposes, as may be sanctioned by the Allied Commander-in-Chief, all other Italian Land, Sea and Air Forces will proceed to and remain in their barracks, camps or ships pending directions from the United Nations as to their future status and disposal. Exceptionally such

¹As modified by the protocol signed Nov. 9, 1943.

Naval personnel shall proceed to shore establishments as the United Nations may direct.

4. Italian Land, Sea and Air Forces will within the periods to be laid down by the United Nations withdraw from all areas outside Italian territory notified to the Italian Government by the United Nations and proceed to areas to be specified by the United Nations. Such movement of Italian Land, Sea and Air Forces will be carried out in conditions to be laid down by the United Nations and in accordance with the orders to be issued by them. All Italian officials will similarly leave the areas notified except any who may be permitted to remain by the United Nations. Those permitted to remain will comply with the instructions of the Allied Commander-in-Chief.

5. No requisitioning, seizures or other coercive measures shall be effected by Italian Land, Sea and Air Forces or officials in regard to persons or property in the areas notified under Article 4.

6. The demobilization of Italian Land, Sea and Air Forces in excess of such establishments as shall be notified will take place as prescribed by the Allied Commander-in-Chief.

7. Italian warships of all descriptions, auxiliaries and transports will be assembled as directed in ports to be specified by the Allied Commander-in-Chief and will be dealt with as prescribed by the Allied Commander-in-Chief. (NOTE. If at the date of the Armistice the whole of the Italian Fleet has been assembled in Allied ports, this article would run—"Italian warships of all descriptions, auxiliaries, and transports will remain until further notice in the ports where they are at present assembled, and will be dealt with as prescribed by the Allied Commander-in-Chief.")

8. Italian aircraft of all kinds will not leave the ground or water or ships, except as directed by the Allied Commander-in-Chief.

9. Without prejudice to the provisions 14, 15 and 28 (A) and (D) below, all merchant ships, fishing or other craft of whatever flag, all aircraft and inland transport of whatever nationality in Italian or Italian-occupied territory or waters will, pending verification of their identity and status, be prevented from leaving.

10. The Italian Supreme Command will make available all information about naval, military and air devices, installations, and defences, about all transport and inter-communication systems

established by Italy or her allies on Italian territory or in the approaches thereto, about minefields or other obstacles to movement by land, sea or air and such other particulars as the United Nations may require in connection with the use of Italian bases, or with the operations, security, or welfare of the United Nations Land, Sea or Air Forces. Italian forces and equipment will be made available as required by the United Nations for the removal of the above mentioned obstacles.

11. The Italian Government will furnish forthwith lists of quantities of all war material showing the location of the same. Subject to such use as the Allied Commander-in-Chief may make of it, the war material will be placed in store under such control as he may direct. The ultimate disposal of war material will be prescribed by the United Nations.

12. There will be no destruction of nor damage to nor except as authorized or directed by the United Nations any removal of war material, wireless, radio location or meteorological stations, railroad, port or other installations or in general, public or private utilities or property of any kind, wherever situated, and the necessary maintenance and repair will be the responsibility of the Italian authorities.

13. The manufacture, production and construction of war material and its import, export and transit is prohibited, except as directed by the United Nations. The Italian Government will comply with any directions given by the United Nations for the manufacture, production or construction and the import, export or transit of war material.

14. (A) All Italian merchant shipping and fishing and other craft, wherever they may be, and any constructed or completed during the period of the present instrument will be made available in good repair and in seaworthy condition by the competent Italian authorities at such places and for such purposes and periods as the United Nations may prescribe. Transfer to enemy or neutral flags is prohibited. Crews will remain on board pending further instructions regarding their continued employment or dispersal. Any existing options to repurchase or re-acquire or to resume control of Italian or former Italian vessels sold or otherwise transferred or chartered during the war will forthwith be exercised and the above pro-

visions will apply to all such vessels and their crews.

(B) All Italian inland transport and all port equipment will be held at the disposal of the United Nations for such purposes as they may direct.

15. United Nations merchant ships, fishing and other craft in Italian hands wherever they may be (including for this purpose those of any country which has broken off diplomatic relations with Italy) whether or not the title has been transferred as the result of prize court proceedings or otherwise, will be surrendered to the United Nations and will be assembled in ports to be specified by the United Nations for disposal as directed by them. The Italian Government will take all such steps as may be required to secure any necessary transfers of title. Any neutral merchant ship, fishing or other craft under Italian operation or control will be assembled in the same manner pending arrangements for their ultimate disposal. Any necessary repairs to any of the above mentioned vessels will be effected by the Italian Government, if required, at their expense. The Italian Government will take the necessary measures to insure that the vessels and their cargo are not damaged.

16. No radio or telecommunication installations or other forms of intercommunication, ashore or afloat, under Italian control whether belonging to Italy or any nation other than the United Nations will transmit until directions for the control of these installations have been prescribed by the Allied Commander-in-Chief. The Italian authorities will conform to such measures for control and censorship of press and of other publications, of theatrical and cinematograph performances, of broadcasting, and also of all forms of intercommunication as the Allied Commander-in-Chief may direct. The Allied Commander-in-Chief may, at his discretion, take over radio, cable and other communication stations.

17. The warships, auxiliaries, transports and merchant and other vessels and aircraft in the service of the United Nations will have the right freely to use the territorial waters around and the air over Italian territory.

18. The forces of the United Nations will require to occupy certain parts of Italian territory. The territories or areas concerned will from time to time be notified by the United Nations and all Italian Land, Sea and Air Forces will thereupon

withdraw from such territories or areas in accordance with the instructions issued by the Allied Commander-in-Chief. The provisions of this article are without prejudice to those of article 4 above. The Italian Supreme Command will guarantee immediate use and access to the Allies of all airfields and Naval ports in Italy under their control.

19. In the territories or areas referred to in article 18 all Naval, Military and Air installations, power stations, oil refineries, public utility services, all ports and harbors, all transport and all inter-communication installations, facilities and equipment and such other installations or facilities and all such stocks as may be required by the United Nations will be made available in good condition by the competent Italian authorities with the personnel required for working them. The Italian Government will make available such other local resources or services as the United Nations may require.

20. Without prejudice to the provisions of the present instrument the United Nations will exercise all the rights of an occupying power throughout the territories or areas referred to in article 18, the administration of which will be provided for by the issue of proclamations, orders or regulations. Personnel of the Italian administrative, judicial and public services will carry out their functions under the control of the Allied Commander-in-Chief unless otherwise directed.

21. In addition to the rights in respect of occupied Italian territories described in articles 18 to 20,

(A) Members of the Land, Sea or Air Forces and officials of the United Nations will have the right of passage in or over non-occupied Italian territory and will be afforded all the necessary facilities and assistance in performing their functions.

(B) The Italian authorities will make available on non-occupied Italian territory all transport facilities required by the United Nations including free transit for their war material and supplies, and will comply with instructions issued by the Allied Commander-in-Chief regarding the use and control of airfields, ports, shipping, inland transport systems and vehicles, intercommunication systems, power stations and public utility services, oil refineries, stocks and such other fuel

and power supplies and means of producing same, as United Nations may specify, together with connected repair and construction facilities.

22. The Italian Government and people will abstain from all action detrimental to the interests of the United Nations and will carry out promptly and efficiently all orders given by the United Nations.

23. The Italian Government will make available such Italian currency as the United Nations may require. The Italian Government will withdraw and redeem in Italian currency within such time limits and on such terms as the United Nations may specify all holdings in Italian territory of currencies issued by the United Nations during military operations or occupation and will hand over the currencies withdrawn free of cost to the United Nations. The Italian Government will take such measures as may be required by the United Nations for the control of banks and business in Italian territory, for the control of foreign exchange and foreign commercial and financial transactions and for the regulation of trade and production and will comply with any instructions issued by the United Nations regarding these and similar matters.

24. There shall be no financial, commercial or other intercourse with or dealings with or for the benefit of countries at war with any of the United Nations or territories occupied by such countries or any other foreign country except under authorisation of the Allied Commander-in-Chief or designated officials.

25. (A) Relations with countries at war with any of the United Nations, or occupied by any such country, will be broken off. Italian diplomatic, consular and other officials and members of the Italian Land, Sea and Air Forces accredited to or serving on missions with any such country or in any other territory specified by the United Nations will be recalled. Diplomatic and consular officials of such countries will be dealt with as the United Nations may prescribe.

(B) The United Nations reserve the right to require the withdrawal of neutral diplomatic and consular officers from occupied Italian territory and to prescribe and lay down regulations governing the procedure for the methods of communication between the Italian Government and its representatives in neutral countries and regard-

ing communications emanating from or destined for the representatives of neutral countries in Italian territory.

26. Italian subjects will pending further instructions be prevented from leaving Italian territory except as authorised by the Allied Commander-in-Chief and will not in any event take service with any of the countries or in any of the territories referred to in article 25 (A) nor will they proceed to any place for the purpose of undertaking work for any such country. Those at present so serving or working will be recalled as directed by the Allied Commander-in-Chief.

27. The Military, Naval and Air personnel and material and the merchant shipping, fishing and other craft and the aircraft, vehicles and other transport equipment of any country against which any of the United Nations is carrying on hostilities or which is occupied by any such country, remain liable to attack or seizure wherever found in or over Italian territory or waters.

28. (A) The warships, auxiliaries and transports of any such country or occupied country referred to in article 27 in Italian or Italian-occupied ports and waters and the aircraft, vehicles and other transport equipment of such countries in or over Italian or Italian-occupied territory will, pending further instructions, be prevented from leaving.

(B) The Military, Naval and Air personnel and the civilian nationals of any such country or occupied country in Italian or Italian-occupied territory will be prevented from leaving and will be interned pending further instructions.

(C) All property in Italian territory belonging to any such country or occupied country or its nationals will be impounded and kept in custody pending further instructions.

(D) The Italian Government will comply with any instructions given by the Allied Commander-in-Chief concerning the internment, custody or subsequent disposal, utilisation or employment of any of the above mentioned persons, vessels, aircraft, material or property.

29. Benito Mussolini, his chief Fascist associates, and all persons suspected of having committed war crimes or analogous offences whose names appear on lists to be communicated by the United Nations and who now or in the future are on territory controlled by the Allied Military

Command or by the Italian Government, will forthwith be apprehended and surrendered into the hands of the United Nations. Any instructions given by the United Nations to this purpose will be complied with.

30. All Fascist organisations, including all branches of the Fascist Militia (MVSN), the Secret Police (OVRA), all Fascist youth organisations will insofar as this is not already accomplished be disbanded in accordance with the directions of the Allied Commander-in-Chief. The Italian Government will comply with all such further directions as the United Nations may give for abolition of Fascist institutions, the dismissal and internment of Fascist personnel, the control of Fascist funds, the suppression of Fascist ideology and teaching.

31. All Italian laws involving discrimination on grounds of race, color, creed or political opinions will insofar as this is not already accomplished be rescinded, and persons detained on such grounds will, as directed by the United Nations, be released and relieved from all legal disabilities to which they have been subjected. The Italian Government will comply with all such further directions as the Allied Commander-in-Chief may give for repeal of Fascist legislation and removal of any disabilities or prohibitions resulting therefrom.

32. (A) Prisoners of war belonging to the forces of or specified by the United Nations and any Nationals of the United Nations, including Abyssinian subjects, confined, interned, or otherwise under restraint in Italian or Italian-occupied territory will not be removed and will forthwith be handed over to representatives of the United Nations or otherwise dealt with as the United Nations may direct. Any removal during the period between the presentation and the signature of the present instrument will be regarded as a breach of its terms.

(B) Persons of whatever nationality who have been placed under restriction, detention or sentence (including sentences in absentia) on account of their dealings or sympathies with the United Nations will be released under the direction of the United Nations and relieved from all legal disabilities to which they have subjected.

(C) The Italian Government will take such steps as the United Nations may direct to safeguard

the persons of foreign nationals and property of foreign nationals and property of foreign states and nationals.

33. (A) The Italian Government will comply with such directions as the United Nations may prescribe regarding restitution, deliveries, services or payments by way of reparation and payment of the costs of occupation during the period of the present instrument.

(B) The Italian Government will give to the Allied Commander-in-Chief such information as may be prescribed regarding the assets, whether inside or outside Italian territory, of the Italian state, the Bank of Italy, any Italian state or semi-state institutions or Fascist organisations or residents in Italian territory and will not dispose or allow the disposal, outside Italian territory of any such assets except with the permission of the United Nations.

34. The Italian Government will carry out during the period of the present instrument such measures of disarmament, demobilisation and demilitarisation as may be prescribed by the Allied Commander-in-Chief.

35. The Italian Government will supply all information and provide all documents required by the United Nations. There shall be no destruction or concealment of archives, records, plans or any other documents or information.

36. The Italian Government will take and enforce such legislative and other measures as may be necessary for the execution of the present instrument. Italian military and civil authorities will comply with any instructions issued by the Allied Commander-in-Chief for the same purpose.

37. There will be appointed a Control Commission representative of the United Nations charged with regulating and executing this instrument under the orders and general directions of the Allied Commander-in-Chief.

38. (A) The term "United Nations" in the present instrument includes the Allied Commander-in-Chief, the Control Commission and any other authority which the United Nations may designate.

(B) The term "Allied Commander-in-Chief" in the present instrument includes the Control Commission and such other officers and representatives as the Commander-in-Chief may designate.

39. Reference to Italian Land, Sea and Air Forces in the present instrument shall be deemed

to include Fascist Militia and all such other military or para-military units, formations or bodies as the Allied Commander-in-Chief may prescribe.

40. The term "War Material" in the present instrument denotes all material specified in such lists or definitions as may from time to time be issued by the Control Commission.

41. The term "Italian Territory" includes all Italian colonies and dependencies and shall for the purposes of the present instrument (but without prejudice to the question of sovereignty) be deemed to include Albania. Provided however that except in such cases and to such extent as the United Nations may direct the provisions of the present instrument shall not apply in or affect the administration of any Italian colony or dependency already occupied by the United Nations or the rights or powers therein possessed or exercised by them.

42. The Italian Government will send a delegation to the Headquarters of the Control Commission to represent Italian interests and to transmit the orders of the Control Commission to the competent Italian authorities.

43. The present instrument shall enter into force at once. It will remain in operation until superseded by any other arrangements or until the voting into force of the peace treaty with Italy.

44. The present instrument may be denounced by the United Nations with immediate effect if Italian obligations thereunder are not fulfilled or, as an alternative, the United Nations may penalize contravention of it by measures appropriate to the circumstances such as the extension of the areas of military occupation or air or other punitive action.

The present instrument is drawn up in English and Italian, the English text being authentic, and in case of any dispute regarding its interpretation, the decision of the Control Commission will prevail.

Signed at Malta on the 29 day of September, 1943.

Marshal PIETRO BADOGLIO	DWIGHT D. EISENHOWER
<i>Head of the Italian Government</i>	<i>General, United States Army Commander-in-Chief, Allied Force.</i>

Letter From General Eisenhower to Marshal Badoglio on Occasion of Signing Armistice Document

29TH SEPTEMBER, 1943.

MY DEAR MARSHAL BADOGLIO,

The terms of the armistice to which we have just appended our signatures are supplementary to the short military armistice signed by your representative and mine on September 3rd, 1943. They are based upon the situation obtaining prior to the cessation of hostilities. Developments since that time have altered considerably the status of Italy, which has become in effect a co-operator with the United Nations.

It is fully recognized by the Governments on whose behalf I am acting that these terms are in some respects superseded by subsequent events and that several of the clauses have become obsolescent or have already been put into execution. We also recognize that it is not at this time in the power of the Italian Government to carry out certain of the terms. Failure to do so because of existing con-

ditions will not be regarded as a breach of good faith on the part of Italy. However, this document represents the requirements with which the Italian Government can be expected to comply when in a position to do so.

It is to be understood that the terms both of this document and of the short military armistice of September 3rd may be modified from time to time if military necessity or the extent of co-operation by the Italian Government indicates this as desirable.

Sincerely,

DWIGHT D. EISENHOWER
*General, United States Army
Commander-in-Chief, Allied Forces.*

His Excellency
Marshal PIETRO BADOGLIO,
Head of the Italian Government.

Memorandum of Agreement on Employment and Disposition of Italian Fleet and Mercantile Marine

OFFICE OF COMMANDER-IN-CHIEF,
MEDITERRANEAN STATION.
23rd September 1943.

MEMORANDUM OF AGREEMENT ON THE EMPLOYMENT AND DISPOSITION OF THE ITALIAN FLEET AND MERCANTILE MARINE BETWEEN THE ALLIED NAVAL COMMANDER-IN-CHIEF, MEDITERRANEAN, ACTING ON BEHALF OF THE ALLIED COMMANDER-IN-CHIEF AND THE ITALIAN MINISTER OF MARINE

The armistice having been signed between the Head of the Italian Government and the Allied Commander-in-Chief under which all Italian warships and the Italian Mercantile Marine were placed unconditionally at the disposal of the United Nations, and H.M. The King of Italy and the Italian Government having since expressed the wish that the Fleet and the Italian Mercantile Marine should be employed in the Allied effort to assist in the prosecution of the war against the Axis powers, the following principles are established on which the Italian Navy and Mercantile Marine will be disposed.

- (A) Such ships as can be employed to assist actively in the Allied effort will be kept in commission and will be used under the orders of the Commander-in-Chief, Mediterranean, as may be arranged between the Allied Commander-in-Chief and the Italian Government.
- (B) Ships which cannot be so employed will be reduced to a care and maintenance basis and be placed in designated ports, measures of disarmament being undertaken as may be necessary.
- (C) The Government of Italy will declare the names and whereabouts of
 - (i) Warships
 - (ii) Merchant ships
 now in their possession which previously belonged to any of the United Nations. These vessels are to be returned forthwith as may be directed by the Allied Commander-in-Chief. This will be without prejudice to negotiations between the Gov-

ernments which may subsequently be made in connection with replacing losses of ships of the United Nations caused by Italian action.

- (D) The Allied Naval Commander-in-Chief will act as the agent of the Allied Commander-in-Chief in all matters concerning the employment of the Italian Fleet or Merchant Navy, their disposition and related matters.
- (E) It should be clearly understood that the extent to which the terms of the armistice are modified to allow of the arrangements outlined above and which follow, are dependent upon the extent and effectiveness of Italian cooperation.

2. *Method of operation.* The Commander-in-Chief, Mediterranean will place at the disposal of the Italian Ministry of Marine a high ranking Naval officer with the appropriate staff who will be responsible to the Commander-in-Chief, Mediterranean, for all matters in connection with the operation of the Italian fleet, and be the medium through which dealings will be carried out in connection with the Italian Mercantile Marine. The Flag Officer acting for these duties (Flag Officer, Liaison) will keep the Italian Ministry of Marine informed of the requirements of the Commander-in-Chief, Mediterranean, and will act in close cooperation as regards issue of all orders to the Italian Fleet.

3. *Proposed disposition of the Italian Fleet.*

- (a) All battleships will be placed on a care and maintenance basis in ports to be designated and will have such measures of disarmament applied as may be directed. These measures of disarmament will be such that the ships can be brought into operation again if it so seems desirable. Each ship will have on board a proportion of Italian Naval personnel to keep the ships in proper condition and the Commander-in-Chief, Mediterranean, will have the right of inspection at any time.
- (b) *Cruisers.* Such cruisers as can be of immediate assistance will be kept in com-

mission. At present it is visualized that one squadron of four cruisers will suffice and the remainder will be kept in care and maintenance as for the battle-ships but at a rather greater degree of readiness to be brought into service if required.

- (c) *Destroyers and Torpedo Boats.* It is proposed to keep these in commission and to use them on escort and similar duties as may be requisite. It is proposed that they should be divided into escort groups working as units and that they should be based on Italian ports.
- (d) *Small Craft.* M.A.S., minesweepers, auxiliaries and similar small craft will be employed to the full, detailed arrangements being made with the Flag Officer (Liaison) by the Italian Ministry of Marine for their best employment.
- (e) *Submarines.* In the first instance submarines will be immobilized in ports to be designated and at a later date these may be brought into service as may be required to assist the Allied effort.

4. *Status of Italian Navy.* Under this modification of the armistice terms, all the Italian ships will continue to fly their flag. A large proportion of the Italian Navy will thus remain in active commission operating their own ships and fighting alongside the forces of the United Nations against the Axis powers.

The requisite Liaison officers will be supplied to facilitate the working of the Italian ships in co-operation with Allied forces. A small Italian liaison mission will be attached to the Headquarters of the Commander-in-Chief, Mediterranean, to deal with matters affecting the Italian fleet.

5. *Mercantile Marine.* It is the intention that the Italian Mercantile Marine should operate under the same conditions as the merchant ships of the Allied Nations. That is to say, all mercantile shipping of the United Nations is formed into a pool which is employed as may be considered necessary for the benefit of all the United Nations. In this will naturally be included the requirements for the supply and maintenance of Italy. The system will be analagous to that used in North Africa, where the North Africa Shipping Board controls all United States, British and French

shipping under certain agreements which will have to be arranged in detail in so far as Italian ships are concerned. While it may be expected that a proportion of Italian ships will be working within the Mediterranean and to and from Italian ports, it must be appreciated that this will not always necessarily be the case and ships flying the Italian flag may be expected to be used elsewhere as is done with the merchant ships of all the United Nations. Italian ships employed as outlined in this paragraph will fly the Italian flag and will be manned by crews provided by the Italian Ministry of Marine.

Amendment to Agreement Respecting Employment of Italian Navy

AMENDMENT TO AGREEMENT BETWEEN THE NAVAL COMMANDER-IN-CHIEF, MEDITERRANEAN, ALLIED FORCES AND THE ROYAL ITALIAN MINISTER OF MARINE WITH RESPECT TO THE EMPLOYMENT OF THE ITALIAN NAVY.

The aforementioned agreement is amended as follows:

The following phrase to be added to the Preamble:

"It is understood and agreed that the provisions of this agreement as to immediate employment and disposition of Italian warships and merchant ships do not affect the right of United Nations to make such other dispositions of any or all Italian ships as they may think fit. Their decisions in this respect will be notified to the Italian Government from time to time."

Final sentence of last paragraph to be amended to read:

"will be manned so far as possible by crews provided by Italian Ministry of Marine and will fly the Italian flag."

The present instrument is drawn up in English and Italian, the English text being authentic, and in case of any dispute regarding its interpretation the decision of the Control Commission will prevail.

Signed on the 17th November 1943 at BRINDISI.

For the Naval Commander-in-Chief
Mediterranean, Allied Forces.

R. MCGREGOR	AMM. R DE COURTEN
Rear Admiral,	Ministro della Marina
Flag Officer Liaison, Italy.	

Statement of Admiral De Courten

Translation

By order of His Excellency, Marshal Badoglio, Chief of the Government, I have signed the clauses added to the Preamble and to the last paragraph of the Cunningham - de Courten Agreement, which were requested by the Allied Governments as conditions of the signature of the amendments to the Armistice.

In signing, I request that note be taken of the following statement:

"I believe it my duty to make clear that the request for insertion of these clauses, put forth less than two months after the meeting with Sir Andrew Cunningham, then Commander-in-Chief of the Allied Mediterranean Fleet, alters the spirit of the agreement concluded between Admiral Cunningham and me. The clauses of this Agreement had been put forward in accordance with the Armistice, by Admiral Cunningham himself, who

invited me to examine them and make known to them my observations and comments. In as much as there was complete agreement in regard to the text presented by the Allies, and as the Agreement has up to now been carried out in the widest and most complete manner without opposition either in letter or spirit, I did not and do not have any reason to believe it should be modified and completed by a subsequent safeguarding clause. This clause seems to be at odds with the active collaboration given up to now by the Italian Navy and with the visible demonstration of the loyalty with which the Italian Fleet is contributing to the utmost to the conduct of the war against the common enemy in the spirit of existing co-belligerency".

BRINDISI, 17 November 1943.

Admiral DE COURTEN

Minister of the Navy

Aide-Mémoire of February 24, 1945 to the Italian Government From President, Allied Commission

In accordance with the declaration of the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain, the Allied Governments propose to relax the control of the Italian Government under the armistice in the matter of day-to-day administration and only to exercise such control when Allied military interests require.

2. The Political Section of the Allied Commission is being abolished as of the 1st March, 1945. The Italian Ministry for Foreign Affairs will deal with the Chief Commissioner on matters of major policy, and on matters of minor policy and routine business it will address itself to whatever section (economic or civil affairs) of the commission may be appropriate to the subject involved. Matters involving the travel of diplomatic and other public officials will hereafter be dealt with on behalf of the commission by the office of the Executive Commissioner.

3. The Italian Government will continue, as at present, to have direct relations with foreign diplomatic representatives accredited to the Quirinal. The Allied Commission should be kept generally informed by the Italian Government of any nego-

tiations in which they engage with other Governments. Facilities for the use of secret bags will be granted to the Italian Government for use in correspondence with their diplomatic representatives abroad. Undeposited cypher facilities cannot be allowed for the present.

In so far as these negotiations have to do with economic and financial matters, the Economic Section and its Finance Sub-Commission should be kept informed of their progress.

It would be convenient if the Italian Government would furnish a periodic summary of all negotiations completed or pending with other Governments.

4. The Allied Commission will limit its dealings with respect to territory under the jurisdiction of the Italian Government to consultation with and advice to the Ministers of the Italian Government.

5. The advisory functions of the Sub-Commissions of Education, Monuments and Fine Arts, Local Government, Legal and Labour in territory under the jurisdiction of the Italian Government will be performed only when requested by the Italian Government.

6. It will no longer be necessary for the Italian

Government to obtain the approval of the Allied Commission for decrees and other legislation enacted by the Italian Government in the territory under the jurisdiction of the Italian Government.

Nevertheless the Allied Commission should be informed of proposed decrees some time before their enactment, in order to enable the Chief Commissioner to consult with the Italian Government as to their application to territory under the jurisdiction of Allied Military Government (A.M.G.), and to lay plans for their effective implementation in such territory when appropriate.

7. It will no longer be necessary for the Italian Government to obtain approval of the Allied Commission for Italian appointments, whether to national or local offices, in territory under the jurisdiction of the Italian Government except with regard to the attached list of positions having military significance. The Italian Government will have the right to alter appointments made previously by A.M.G. authorities.

8. The Allied Commission officers stationed in the field in the territory under the jurisdiction of the Italian Government will be withdrawn. As a first step it is intended to abolish by the 1st April, 1945, the Regional Offices of the Allied Commission for Sicilia, Sardegna, Southern and Lazio-Umbria Regions. Representatives of the Allied Commission will, however, be sent into territory under the jurisdiction of the Italian Government when necessary, and certain specialist officers with economic functions will remain in such territory for a limited period.

9. It is the desire of the Allies to encourage free trade in knowledge and learning with the Italian people. Arrangements will be facilitated for the flow between Italy and the United Nations of books and other publications of a scientific, political, philosophical and artistic nature, and for the movement of scholars, artists and professional men between Italy and the United Nations.

10. The Allies welcome the decision to hold local elections in territory under the jurisdiction of the Italian Government as soon as may be.

11. The Allied nations desire to make concessions with regard to Italian prisoners of war now or hereafter held in Italy, other than those captured since the armistice was signed. Provided that arrangements can be made for the services of such persons to continue to be made available on terms satisfactory to the Supreme Allied Com-

mander, their status as prisoners of war will be terminated.

12. It is essential that the Italian Government formulate and implement appropriate economic controls and take all other steps possible both in order to ensure that maximum production and effective and equitable distribution and control of consumption of local resources possible under existing conditions be secured and as a prerequisite to increased economic assistance.

13. In the joint programme of essential Italian imports, now being prepared by the Inter-Ministerial Committee for Reconstruction and the Economic Section of this commission, there will be some supplies for which the combined United States - United Kingdom military authorities will assume responsibility for procurement (Category "A") and other supplies for which they will not assume responsibility (Category "B"). A definition of the supplies which fall into Category "A" follows:—

- (a) Those quantities of agreed essential supplies necessary to prevent disease and unrest prejudicial to military operations, such as food, fuel, clothing, medical and sanitary supplies.
- (b) Those supplies, the importation of which will reduce military requirements for the import of essential civilian supplies for the purposes referred to in this paragraph, such as fertiliser, raw materials, machinery and equipment.
- (c) Those materials essential for the rehabilitation of such of the Italian communication facilities, power systems and transportation facilities as will directly further the Allied military effort.

14. The programme for which the military authorities assume responsibility will be maintained for the duration of combined (United States - United Kingdom) operations in Italy. For this period, and within the limits defined in paragraph 13, Italy will be treated as a whole. The date of the termination of military responsibility will be fixed by the Allied Nations.

15. In addition to the programme of supplies for which the military assume responsibility for procurement (Category "A") the Allied Commission will assist the Italian Government in the preparation of programmes of supplies designed to rehabilitate Italian industry. Such pro-

grammes, referred to as Category "B," will be handled under procedures already notified. The purchasing of supplies in Category "B" programmes will be undertaken immediately without reference to the present difficult shipping position in order that the supplies so purchased may be called forward as and when shipping space becomes available.

16. The Allies desire that industrial rehabilitation in Italy be carried out by the Italian Government to the fullest extent permitted by Italian resources and such supplies as it may be possible to import under the terms of paragraphs 13, 14 and 15 above, and subject to the limitation in paragraph 19 below. The sole exception to this principle is to be made in the case of industries involving the production or repair of munitions or other implements of war, which will be rehabilitated only to the extent required by the Supreme Allied Commander in the discharge of his military mission, and to the extent necessary to further the Allied military effort in other theatres. The priority order in which Italian industry will be rehabilitated (after the rehabilitation of industries essential for Allied Military purposes) will be determined by the Italian Government, with the assistance and advice of the Allied Commission.

17. The prime responsibility for the control of inflation in Italy, including the imposition and administration of the appropriate financial controls and economic controls, and appropriate utilisation of supplies, rests with the Italian Government. In this connexion, as in others, the Allied Commission stands ready to advise and assist.

18. The extent to which exports are to be stimulated and the development of machinery to handle export trade are for determination by the Italian Government. For the time being, the Italian export programme will necessarily be limited by certain shipping, military, financial and supply factors. The applicability of these factors to individual programmes will be worked out between the Italian Government and the Economic Section of the Allied Commission along the lines already discussed by the Economic Section with the Inter-Ministerial Committee for Reconstruction.

19. Nothing contained in the above should be taken as constituting a commitment by the Allied Nations with respect to shipping. Any supplies

to be imported into Italy must be transported within such shipping as may be allocated from time to time by the Allied Nations.

HAROLD MACMILLAN.

24th February, 1945.

List of Italian Government appointments requiring prior approval by the Allied Commission.

Minister of War.

Minister of Marine.

Minister of Air.

Any other Minister of Armed Forces who may be created.

Under-Secretary for Telecommunications.

Director of Railroads.

Director-General of Pubblica Sicurezza.

Commanding General, CC. RR.

Chief of Staff, CC. RR.

Commanding General, GG. FF.

Appointments in the Army, Navy and Air Force in accordance with current practice.

Commentary on the Additional Conditions of the Armistice With Italy

The extent to which certain articles of the agreement have been implemented or modified is indicated in the following comment. The remaining articles, on which no comment is given, have either been superseded by events and are therefore dormant, or are still in force.

Articles 1 to 5 were complied with.

Articles 6 to 12: With the cooperation of the Italian Government, the Italian armed forces have been used to the maximum useful extent in the service of the United Nations and have contributed materially towards the liberation of Italy and final victory. The Italian Navy has operated with Allied warships in the Mediterranean and elsewhere, and since the cessation of hostilities has largely been employed in the Italian interest in minesweeping and the transport of displaced persons.

The Army fought alongside Allied formations during the campaign in Italy and the Air Force took its place with the Allied Air Forces.

Article 14: While Italian merchant ships have been employed in the general interests of the United Nations they have been primarily employed in the Italian interest. Italian inland transport and ports have now been largely returned to Italian administration except insofar as redeployment and maintenance of Allied Forces has had to be effected.

Article 15: The provisions of this clause, as regards small vessels and craft, have not been fully satisfied owing to the difficulty of locating and identifying the vessels and craft concerned.

Article 16: Control of radio has been returned to the Italian Government. All military and rehabilitated civilian telecommunications are being handed over to the Italians as military requirements decrease. Internal censorship has been abolished in the areas under Italian Government control.

Article 18: The second sentence of this clause has never been invoked, except in two frontier areas, i.e. on the Franco-Italian frontier and in Venezia Giulia.

Article 19: Care has been taken to conserve wherever possible Italian resources for the use of the civil economy and to utilize local goods and services only when military necessity demanded. The Allied Forces Local Resources Board, on the Committees of which Italian representatives have sat, was established as the allocation agency.

While the legal rights of the Allied Forces under this article have not been modified, in practice it has been administered with as much regard as possible for Italian needs.

With the redeployment of Allied troops from Italy, the utilization of local resources and facilities is diminishing rapidly. In addition, large quantities of food, coal, clothing and other commodities have been imported into Italy by the United Nations largely in United Nations ships to supplement local resources and to alleviate distress.

Article 20: Allied Military Government was rigorously enforced in combat zones for obvious operational reasons. This was progressively relaxed as the battle moved forward until territories were handed over wholly to Italian administration.

Article 21: As Allied Forces are redeployed, facilities are progressively being handed back to Italian control.

Article 22: With the declaration of war upon the Germans by the Italian Government in October 1943, and the cooperation and loyalty of the Italian people to the Allied cause, there has never been any necessity to invoke this article.

Article 23: The Italian Government has been informed that the Allied Commission will no longer intervene in Italian internal financial affairs (except in cases of Allied military necessity) and that, with certain exceptions in Italy's own interest, the

Italian Government need no longer obtain the approval of the Allied Commission prior to the execution of external financial transactions. The Italian Government is now free to fix or negotiate exchange rates for the lira without prior consultation with the Allied Commission.

Article 24: Private export trade may now be resumed and all types of commercial and financial correspondence may now go forward from Italy to the non-enemy world, subject to the Italian Government putting into force certain trade control measures similar to those employed by the United Nations against enemy interests.

Article 26: This article is no longer enforced, and provided an individual has the necessary civil documents, such as passport, visas, et cetera, there is nothing to prevent him leaving Italian territory, subject of course to the immigration laws and regulations of the countries of intended destination.

Articles 30 and 31: The Italian Government has of its own volition done all that would have been required.

Article 32: This article has been complied with and is, in the case of Clauses A and B, no longer applicable. As regards Clause C the Italian Government has cooperated loyally in carrying out such instructions as have been given concerning the preservation and administration of United Nations property in Italy, previously sequestered by the Italian Government.

Article 33: The part of Clause B that deals with the disposal of foreign assets has been modified in favor of the Italian Government (see under Article 23).

Articles 36 and 37: The execution of these articles has been modified by the MacMillan aide memoire of February 24, 1945.

Article 41: In practice the Armistice conditions have not been applied to Albania or to any former Italian territories overseas.

With respect to the Cunningham - De Courten Agreement, the following general comments show the extent to which certain articles have been implemented or modified.

1. As explained in the document this agreement was produced in modification of the Armistice terms so that the Italian Fleet and merchant marine could assist in the prosecution of the war against the Axis powers.

2. The additions to the agreement were inserted at the Allied request after the original agreement had been concluded and were accepted on the Italian side in view of an amelioration of certain articles in the original terms of the Armistice. Signature was accompanied by the formal statement by Admiral de Courten printed above.

3. The provisions of this agreement have been carried out and those provisions that remain operative with the cessation of hostilities and change of circumstances are still being carried out. Furthermore, many Italian warships are undertaking

work of direct benefit to the Italians themselves, for example, transport of displaced persons.

4. While the employment of Italian ships has been of use to the United Nations it is pointed out that considerable United Nations resources have been expended in Italy and elsewhere to help the Italian Government in keeping the Italian ships running and their crews fed and clothed.

5. In addition to the use of Italian mercantile shipping under this agreement a number of the smaller Italian merchant ships has been returned to the control of the Italian authorities.

Exchange of Correspondence Concerning Italian Peace Treaty

[Released to the press November 7]

There follows an exchange of correspondence between President Truman and Secretary of State Byrnes and the Italian President of the Council of Ministers and Italian Minister concerning the Italian peace treaty:

From the President of the Italian Council of Ministers to President Truman:

ROME, AUGUST 22ND, 1945.

MISTER PRESIDENT,

A short stay in Rome of Ambassador Tarchiani and his return to Washington afford me the opportunity of addressing you this letter and of placing myself in direct contact with you, an earnest wish of mine for a long time.

Ambassador Tarchiani has expounded to me verbally and at length the friendly attitude shown towards Italy by the Government of the United States of America and has stressed the constant, cordial and personal support which the Italian cause has always found in their President.

I therefore wish to express to you, in the very first place, the deepest gratitude of the Italian Government and people for the generous assistance afforded us on every occasion and for the cordial support which, in the extremely difficult times we have undergone and we are still undergoing, touches us more than I can say.

It is an established fact that a deep feeling of confidence, of respect and friendship has arisen in Italy towards the United States, shared alike by all social classes; I consider this feeling as one of

the most promising and positive results of the tormented period we have lived in, inasmuch as it re-establishes between our two countries, better than any diplomatic agreement, a really sound basis on which it is possible and necessary to build a close, confident and friendly collaboration.

This hour in which I write to you is decisive for us. In a few days our fate will be sealed in London. You may easily realize, Mister President, our anxiety and our concern.

It would be needless for me to recall the circumstances with which you are so well acquainted and which, on your initiative, have been clearly set forth in the Potsdam declaration, considered by us as the ideal premise of the future settlement of our problems. In other words I do not wish to emphasize again our bitter sacrifices, our devastated cities, our ruined economy, the destructions brought about by the war, the sufferings of our people, the good will with which we have fought on your side for nearly two years, our firm determination to rebuild a democratic, honest and pacified Italy.

I feel bound however to underline with the absolute frankness which the gravity of the times fully justifies that the drawbacks of an unjust peace would by far offset the questionable gains deriving to some Countries from the acquisition of strips of Italian or colonial territory which might be taken away from us.

An unjust peace would exert, in fact, the most unfavourable influence on that healthy and ordered democratic development of 45 million Italians which we have laboriously undertaken and

are firmly resolved to achieve despite all difficulties: it would hinder the task of our and indeed of any Government; it would sow new seeds of mistrust and depression in the soul of our people; it would give rise to a feeling of diffidence towards the Western Powers, in whose declared ideals of equity and justice we Italians of the resistance movement have always believed and in the name of which we have fought and suffered with unshakable faith.

It is for this, Mister President, that I turn to you in this decisive hour.

We do not ask for anything which is not just or equitable nor want anything which cannot be legitimately given us or that has been illegitimately taken from others.

Ambassador Tarchiani will summarily advise you, in the course of the interview which you have been so kind as to grant him, and will advise more in detail your Secretary of State of what in our opinion we believe to be a just peace, a peace which does not humiliate us, a peace which would allow a Country of ancient civilisation to take up again with human dignity her place in a pacified world.

I only wish to express to you, Mister President, my firm belief that in this grave hour you will not fail to assist us with the full weight of your authority.

Believe me, Mister President, with the highest consideration

very sincerely yours

FERRUCCIO PARRI

From President Truman to the President of the Italian Council of Ministers:

SEPTEMBER 20, 1945

MY DEAR MR. PRESIDENT,

I was glad to have your communication of August 22, 1945, sent to me by means of Ambassador Tarchiani, and also your telegram of August 20, 1945.

The anxiety and concern of the Italian Government and people at this time are indeed understandable. All of us are deeply concerned that the first of the peace treaties to be concluded in Europe set a high standard for realistic, fair, and wise dealing with Europe's complex post-war problems. The United States Delegation, for its part, does not approach the problems facing the Council of Foreign Ministers in London in any narrow spirit of reward and punishment. Its criterion is a simple one: what will best promote the laying of a firm

foundation for an enduring peace among free peoples and best serve the interests of the United States, of Europe, and of the world.

The task before us is not easy, nor can every solution be perfect. Yet I am confident that with determination and goodwill we shall achieve a peace which will enable Italy to rebuild her political and economic structure and assume that place in the community of nations which the qualities of her people warrant and our common interests require.

I am, Mr. President,

Very sincerely yours,

HARRY TRUMAN

From Italian Foreign Minister de Gasperi to the Secretary of State:

ROME, AUGUST 22ND, 1945

MY DEAR SECRETARY OF STATE,

Although I have not yet had the honor of making your personal acquaintance I take the liberty of addressing you with this letter, on the eve of the London Conference. Representing as I do a Country to which the United States have given throughout the period of cobelligerency so much evidence of human solidarity, and being entrusted with the leadership of a political party, forcibly suppressed because it stood for freedom against dictatorship and which, restored through the Allied victory, fully shares the ideals of American democracy, namely the dignity of the human person, tolerance and equality, social justice and government of the people founded on public order and observance of the Law, I feel I can address you, my dear Secretary of State, in an atmosphere of mutual understanding.

The fascist dictatorship, together with nazism, has been responsible for grievous wrongs. As soon as the Italian people were in a position to do so, they did their utmost to redress them and now, in their sense of justice, they do not intend to evade obligations laid upon them by international law and morals.

However the most substantial reparation Italy can offer consists in her contribution to the building up of a better world through her labor and culture. Although Italy has scattered all over the world so many of her sons in a peaceful competition for progress, and America has welcome so many of them in a brotherly spirit, her population is still tightly concentrated within a small peninsula, impoverished by a long tyranny and exhausted by war. Nevertheless the natural qual-

ities of industriousness and frugality, the age-long tradition of Christian morality and ancient Law, may yet make of the Italian people a sound and secure span for western civilization, the preservation of which was the fundamental concern of the great American statesmen—Wilson as well as Roosevelt—when they took the grave decision of entering into war.

It is for the cause of this civilization that we ask you now to be allowed to go on fighting with the instruments of peace, just as with your help we have fought with the weapons of war.

At Potsdam, America has already shown her understanding that this is only possible if peace will restore to the Italian people the dignity of the Free and the certainty that no condition essential to their development will be denied or impaired.

You certainly will have every opportunity, my dear Secretary of State, to acquaint yourself with the conditions that the Italian people's conscience deems essential and with the objective and subjective reasons that cause them to be so considered. However you will allow me to refer briefly and in the order of their importance to the principal among them.

EASTERN FRONTIER WITH YUGOSLAVIA

We willingly admit that, from an ethnical and economical viewpoint, Yugoslavia is entitled to some rectification of the present frontier, although it was freely agreed upon between the two Countries, at Rapallo in 1920. We believe that the line suggested by President Wilson, may be taken as the basis for such an adjustment. This line would mean to Italy the painful loss of two Italian cities, Fiume and Zara, and of nearly 80,000 Italians, while it would re-unite with Yugoslavia over 100,000 Slavs. We feel however bound to ask that account be duly taken of the necessity of safeguarding the autonomy of the cities of Fiume and Zara, by the establishment of special Statutes. As to the remaining territories, since a clear-cut ethnical borderline cannot possibly be drawn, the Italian Government are ready to stipulate with Yugoslavia, under the auspices of the United Nations—or in any case to accept—a mutual obligation for the granting of cultural guarantees and local autonomies to the minorities.

The Italian Government are fully alive to the importance of the harbor of Trieste for the bordering Countries and they are ready to co-operate

in order to reach an arrangement which would guarantee both to the harbor and to its railway connections their particular functions. The Italian people intimately feel that a forcible transfer of population entails extreme suffering: however, they will not oppose an examination of this possibility, if and when requested by Yugoslavia.

Italy feels that co-operation is necessary with that Country in the field of economic relations and peaceful commercial trade: for this reason she will be all the more willing to accept the demilitarization of Pola, if requested, provided that the same measure be carried into effect for the naval base of Cattaro and on condition that the full independence of Albania constitute a further element of security and equilibrium in the Adriatic.

NORTHERN FRONTIER OF THE BRENNER PASS

The situation in the upper Adige region has undergone considerable changes since 1919. Italy has built in the district huge electric power-plants: those in the provinces of Bolzano and Trento represent 13% of the whole national output. The potential hydroelectric power existing in this region is the only reserve left to Northern Italy for the development of the Po Valley industries and the national system of railway communications. Italy has developed, mainly in Bolzano, chemical and mechanical industries with thousands of Italian workers.

An intense national-socialist feeling penetrated the German-speaking population before and during the war so that the region gave a conspicuous contribution of volunteers to the nazi S.S. It is not true that this circumstance was brought about by a reaction against fascism; on the contrary the campaign in favor of the options, which took place after 1939, was conducted by Hitler's agents in the name of the Third Reich, and the most heated nationalists adhered to it, whereas many farmers and former Austrian nobles, as the Minister Toggengburg—to quote one outstanding example—declared themselves for Italy. The result of the options was due to an intensive nazi propaganda. The creation, to-day of a German "enclave" on the Italian side of the Brenner pass would be equivalent to establishing a cradle of future German nationalism, pioneered by those S.S. bands which are still roaming on the Alpine slopes.

Between 1919 and 1922, democratic Italy assured the German-speaking inhabitants cultural equality and representation in Parliament. Ne-

gotiations were also in progress with a view to establishing local autonomies in the whole of the Tridentine Venetia. The fascist dictatorship upset the local situation; but now the Italian democratic Government, in agreement with the A.M.G., has already taken proper measures with regard to German schools and a plan for local autonomies is being completed. The plan will be similar to the one already approved for the Aosta Valley and will be a sound bulwark for every legitimate freedom.

It has been said that the conservative element in Austria would be strengthened by adding to that Country about 200,000 Southern Tyrolese. But, as a former deputy to the Viennese Parliament, I am deeply convinced that either it will be possible to set up a large and economically sound Danubian State, in which case the annexation of a few Tyrolese will be superfluous, or else a small and anemic Austria could only subsist as the protectorate of a great Power closely interested in the Danubian Basin.

Should the Italian and "Ladin" minorities of the Bolzano province and the economic interest of the whole of Italy be sacrificed to this uncertain future? And, moreover, does this precarious outlook warrant the doors of the Brenner Pass to be left wide open to a new German "Drang nach Süden"?

I venture to believe, my dear Secretary of State, that the above stated reasons for the preservation of the Brenner frontier will not be considered either narrow or selfish.

WESTERN FRONTIER WITH FRANCE

No difficulties should arise. So as to dispel all possible suspicions on the part of France, we signed an agreement on February 28th, 1945 which, at the price of a great sacrifice for us, resigns every Italian claim on Tunis and every form of protection over those Italian laborers, workmen and professional men who through their activity have so considerably contributed to the economic development of Tunisia. On that occasion the French Government stated that they did not intend advancing any other claims than those relating to the Fezzan: now, however, they ask for adjustments of the western frontier. Even in this issue we have no intention of maintaining an uncompromising attitude.

Besides possible measures of demilitarization, we are willing to accept adjustments in the Vesubia

and Tinea areas ("hunting grounds"), but the claim to Tenda and Briga Marittima appear, to Italian public opinion, to be wholly unwarranted.

Direct and friendly negotiations between the two Countries in order to reach an equitable and rapid solution of these issues, may be preferable to any other method.

AEGEAN ISLANDS

For public works, agricultural reclamation, industries and artisan activities, artistic and cultural development in the Aegean Islands (Dodecanese), Italy has spent millions over millions since 1912. The Italian people would willingly see them entrusted to Greece as a compensation and as a token of friendship between the two Mediterranean Countries.

However, the Italian living in Rhodes—whose activity has been intimately connected with the economic life of the island for many years—should be afforded, through equitable guarantees, the possibility of carrying on their work.

COLONIES

Before Mussolini's invasion of Ethiopia, democratic Italy never considered colonies as a tool for imperialism, but rather as a means for absorbing Italy's surplus manpower. Present democratic Italy considers them in this same light. No incompatibility, therefore, appears to exist on principle between the interests of Italian labor and the administrative method of a trusteeship. In practice, however, such a collective method hardly corresponds to the peculiar necessities of the Italian colonies, owing to the difference between the Italian colonial conception and praxis founded on emigration, and the Anglosaxon system mainly based on raw materials and markets.

As regards the four Libyan provinces and the single colonies, I beg to refer to the Memoranda which we are ready to submit on each subject.

I only wish to mention two questions which, according to information received, appear to be the most debated; the ultimate fate of Cyrenaica and of Eritrea.

We gather that while no objections are raised against Italian sovereignty in Tripolitania, strategic guarantees are being sought in Cyrenaica in order to afford full security to the bordering Countries and to the international sea routes. We believe that such a security could be obtained through the establishment of "strategic areas", air and na-

val bases and other guarantees in the Tobruk sector and in Marmarica, without depriving Italy of the sovereignty on the Cyrenaica plateau, which she has already partly transformed into a suitable territory for her agricultural emigration.

Similarly, if even for Somaliland a trusteeship system could be discussed, in our old colony of Eritrea the maintenance of Italian sovereignty is essential. This is fully reconcilable with Ethiopia's requirement for a free outlet to the sea, for which purpose Italy has built the road leading from Dessie to Assab. This access could be guaranteed either within Italian territory or, if requested, through frontier rectifications. Furthermore, to meet the legitimate requirements of the northern Abissinian regions, a free zone could be established at Massaua.

As to other details and other questions of an economic character, I have asked Ambassador Tarchiani to supply all necessary information.

In this letter I have confined myself to tracing the outline of a solution which cannot be considered an Italian national solution, but rather a contribution to international reconstruction and cooperation on the basis of a just peace, envisaged not as a punishment for the past, but as a foundation for a better European future.

I have not followed the traditional methods of expounding maximum propositions from which to recede to other possible ones: I have rather preferred to admit at once and frankly the sacrifices which we feel duty bound to make and to mention the conditions which appear to us necessary in order that the Italian people be enabled to collaborate effectively in the new world settlement founded on justice.

This procedure must be taken as another proof of Italy's absolute confidence in the sense of justice and in the understanding of the United States of America and of their representative to the London Conference.

For the successful outcome of this Conference I beg you to accept my best wishes. In expressing them I know I am interpreting the feeling of the hard working Italian people, who sincerely trust that the United States will impress upon the Conference the full meaning of their ideals of human brotherhood and social justice.

Believe me, my dear Secretary of State, with the highest consideration,

Very sincerely yours,

A. DE GASPERI

From the Secretary of State to Italian Foreign Minister de Gasperi:

SEPTEMBER 4, 1945.

MY DEAR MR. MINISTER:

I am grateful for your communication of August 22, 1945, setting forth the Italian views on the general nature of the peace treaty with Italy and on certain territorial problems. This frank and statesmanlike exposition of the Italian point of view is most useful and will receive careful study.

You are, I am sure, fully aware that the objective which the United States will pursue in negotiating the treaties of peace will be the safeguarding of its permanent interests through the establishment of a just and lasting peace. I know that aim can only coincide with the interests and intentions of all countries concerned. The experiences of this war have proved how greatly the fate of all of us is interwoven with the fate of each and how much the future of civilization depends upon resolute cooperation in the work of peace.

This Government has always desired Italy to take her place in the post-war world as a real factor for peace and progress in Europe. It is convinced that the peace treaty with Italy must be such as to permit the energies and talents of her people to serve the great work of national and international reconstruction. I am confident that democratic Italy approaches the forthcoming negotiations with realistic awareness of the general necessities as well as of her own, and with full comprehension for the legitimate interests of her neighbors and their need for reassurance that Italy is wholeheartedly pledged to the principles and practices of peaceful collaboration.

Your assurances that Italy is ready to cooperate with her neighbors are received with satisfaction. I also note with pleasure your reference to the intentions of the Italian Government to guarantee full freedom to any minority groups in Italian territory, repudiating the futile methods and spirit of the past. The United States will watch with keen interest the implementation of this policy of tolerance and understanding which is rightfully part of the whole process of restoring promptly to the people of every region of Italy, without distinction of race, language, or creed, their rights and direct responsibilities as free citizens of a free country.

I am, my dear Mr. de Gasperi,

Sincerely yours,

JAMES F. BYRNES

Withdrawal of United States Forces From Czechoslovakia

[Released to the press November 9]

The United States military authorities are planning to withdraw United States forces from Czechoslovakia by December 1, 1945. The United States Government has learned from the Soviet Government that its plans provide for the withdrawal of Soviet forces from Czechoslovakia by the same date.

Allied forces, which have remained on Czechoslovak territory to assist the Czech people in the elimination of the remnants of the Nazi forces, are no longer needed to protect the Czechoslovak people against Nazi depredations. Furthermore, the continued presence in Czechoslovakia of the Allied forces undoubtedly constitutes a drain on Czechoslovak economy and resources and delays normal recovery and rehabilitation.

Deletion of Finnish Names From Proclaimed List

[Released to the press November 5]

The State Department announced on November 5 that the Interdepartmental Proclaimed List Committee agreed to abolish the Proclaimed List for Finland as of November 5. Actual deletion of all Finnish names will be made in the November supplement of the list.

The Committee agreed to take this action in view of the Finnish Government's establishment of controls over enemy interests in Finland and over the trade of Finnish nationals.

Arrival of Prime Minister Attlee

Prime Minister Clement Attlee of Great Britain arrived in Washington on November 10 at 9:55 a.m. and is now a guest of President Truman at the White House. J. H. Rowan, his secretary, is also staying at the White House with Mr. Attlee. The President gave a luncheon for Mr. Attlee on Saturday. Among those present were: Canadian

Prime Minister MacKenzie King, Secretary Byrnes, British Ambassador Lord Halifax, Canadian Ambassador Pearson, Admiral Leahy, and Mr. Rowan. After the luncheon informal talks were held and plans made for future meetings. These informal discussions will continue throughout the coming week.

Concerning Revision of Montreux Convention

At his press and radio news conference on October 31 the Secretary of State informed correspondents that the United States Government was communicating to the Turkish Government its views on the revision of the Montreux convention. This action was being taken in view of an understanding reached at Berlin by the President with Generalissimo Stalin and Prime Minister Attlee that each Government would take up separately with Turkey the question of the revision of the Montreux convention and would communicate with Turkey in that respect.

At his press and radio news conference on November 7 the Secretary announced the principles which, in this Government's view, might serve as a basis for a revision of the Montreux convention:

- (1) the Straits to be open to the merchant vessels of all nations at all times;
- (2) the Straits to be open to the transit of the warships of Black Sea powers at all times;
- (3) save for an agreed limited tonnage in time of peace, passage through the Straits to be denied to the warships of non - Black Sea powers at all times, except with the specific consent of the Black Sea powers or except when acting under the authority of the United Nations; and
- (4) certain changes to modernize the Montreux convention, such as the substitution of the United Nations system for that of the League of Nations and the elimination of Japan as a signatory.

In response to a question, the Secretary said that the United States, if invited, would be pleased to participate in a conference for the revision of the Montreux convention.

Establishment of Diplomatic Relations With Albania

[Released to the press November 10]

Since the Fascist invasion and occupation of Albania in 1939 the United States Government, although maintaining no official relations with an Albanian government, has stated on several occasions its support of the restoration of Albanian independence. The American people have admired the long and courageous struggle of the Albanians to liberate their land from Axis tyranny. This struggle, aided by increasing Allied military pressure, was brought to a successful conclusion at the end of 1944 when the Albanian resistance forces expelled the German invaders and established at Tirana a central governing authority which has exercised effective control over the entire country.

On May 8, 1945 an informal American mission, headed by Foreign Service officer Joseph E. Jacobs, entered Albania to survey conditions and developments there preliminary to consideration by this Government of the request of the Albanian authorities for recognition. Having studied the final report of this mission and consulted with the other major Allied Governments, the United States Government on November 10, through its informal representative in Tirana, communicated to Col. Gen. Enver Hoxha, President of the Council of Ministers of the existing regime in Albania, a note on the question of recognition. It is understood that the British and Soviet Governments on November 10 also communicated notes to General Hoxha on the same subject. The text of the United States note is as follows:

"The Government of the United States, having considered the request of the Albanian authorities for recognition, has instructed me to inform you of its readiness to enter into diplomatic relations with the existing regime in Albania as the provisional Government of Albania.

"In establishing official relations with an Albanian Government, the United States Government desires to act in conformity with the obligations and principles to which it subscribed in the Crimea Declaration on Liberated Europe and accordingly requests assurances that the forthcoming elections for a Constituent Assembly shall be held on a genuinely free basis, with secret ballot and without threats or intimidation; that all democratic individuals and groups in Albania shall en-

joy freedom of speech and the right lawfully to present and support their candidates; and that foreign press correspondents shall be permitted to enter Albania to observe and report freely on the elections and the work of the Constituent Assembly.

"The Government of the United States also desires that the Albanian authorities shall confirm that the treaties and agreements which were in force between the United States and Albania on April 7, 1939, remain valid. The United States Government, on its part, confirms the continuing validity of these instruments.

"Upon receipt of the assurances requested, the Government of the United States will be prepared to proceed with the exchange of diplomatic representatives.

"I have also been directed to advise you that the present proposal of the United States Government with regard to the establishment of diplomatic relations should not be construed as prejudicing consideration, at a later date, of other questions of an international character involving Albania.

"I shall be most happy to transmit to my Government your reply to the proposals set forth above."

Mark Ethridge To Visit Moscow

Statement by THE SECRETARY OF STATE

[Released to the press November 9]

Mark Ethridge, who recently has been visiting Bulgaria in pursuance of his mission as my special representative, has received the approval of the Soviet Government to visit Moscow for discussions with the Soviet authorities.¹ It is anticipated that Mr. Ethridge will shortly proceed to Moscow where he will be able to give the Soviet authorities further details regarding his mission and to discuss with them the general situation based on his findings during his stay in Bulgaria. Upon returning from Moscow, it is anticipated Mr. Ethridge will resume his studies of conditions in Bulgaria and Rumania.

¹ The Secretary appointed Mr. Ethridge on Oct. 10 as representative of this Government to investigate conditions in the Balkans pursuant to arrangements agreed upon at the Tripartite Conference at Berlin which provided that "representatives of the Allied press will enjoy full freedom to report to the world upon developments in Rumania, Bulgaria, Hungary and Finland." See BULLETIN of Aug. 5, 1945, p. 159, and of Oct. 14, 1945, p. 583.

National Anniversary Of the U.S.S.R.

[Released to the press November 7]

The President has sent the following message to Mikhail Kalinin, President of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics, on the occasion of the national anniversary:

NOVEMBER 7, 1945.

It gives me great pleasure on this national anniversary of the Union of Soviet Socialist Republics to send to Your Excellency and to the people of the Soviet Union the congratulations and best wishes of the people of the United States, as well as my own personal greetings and felicitations.

Through the joint efforts of our two peoples and their valiant armed forces, in alliance with the other peoples of the United Nations, the forces of aggression in Europe and Asia which constituted so dangerous a threat to the freedom and prosperity of the peoples of the world have been totally defeated in a long and bloody struggle. The years ahead offer an unexampled opportunity for achieving peaceful progress and improving the lot of the common man. The recent entry into effect of the United Nations Charter is a happy augury for cooperation between our two peoples and the other free nations of the world in the quest for firm, lasting and universal peace.

I am confident that the challenge presented as a result of our joint victory over the common enemy will be successfully and constructively met through the continued cooperation of our two peoples during the coming years of peace in the same spirit which animated them during the past four years of war.

HARRY S. TRUMAN

Letters of Credence

Ambassador of Mexico

The newly appointed Ambassador of Mexico, Antonio Espinosa de los Monteros, presented his letters of credence to the President on November 7. For text of his remarks on this occasion and the reply by the President see Department of State press release 835.

Maritime Preparatory Technical Conference

[Released to the press November 5]

The Department of State announced on November 5 the composition of the Delegation of the United States to the Maritime Preparatory Technical Conference which will be convened by the International Labor Organization in Copenhagen, Denmark, on November 15, 1945. The composition of the tripartite delegation to represent the Government, employers, and workers of the United States in accordance with the provisions of the International Labor Organization has been approved by the President.

The delegates and advisers representing ship-owners and seafarers have been selected after consultation and in agreement with the national organizations respectively concerned, as required for this Conference. Names of the delegates follow:

REPRESENTING THE GOVERNMENT OF THE UNITED STATES

Delegate:

Mr. A. Ford Hinrichs, Acting Commissioner, Bureau of Labor Statistics, Department of Labor

Advisers:

Congressman Henry M. Jackson, Marine and Fisheries Committee, House of Representatives

Commodore H. C. Shephard, Special Assistant to the Commandant, United States Coast Guard

Mr. L. James Falck, Assistant Chief, Shipping Division, Department of State

Mr. Charles W. Sanders, War Shipping Administration

Mr. Erich Nielsen, War Shipping Administration

REPRESENTING THE EMPLOYERS OF THE UNITED STATES

Delegate:

Mr. M. S. Pennington, Secretary-Treasurer, National Federation of American Shipping, Washington

Adviser:

Mr. A. C. Kemp, United States Lines, Manager of European Office, London, England

REPRESENTING THE WORKERS OF THE UNITED STATES

Delegate:

Mr. M. Hedley Stone, Treasurer, National Maritime Union, New York, N. Y.

Advisers:

Mr. Andrew MacDonald, General Chairman, Marine Division, Commercial Telegraphers Union, Baltimore, Md.

Mr. Frederick N. Myers, Vice President, National Maritime Union, New York, N. Y.

TECHNICAL EXPERT TO THE UNITED STATES DELEGATION

Mr. John L. Salter, Technical Expert, Marine and Fisheries Committee, House of Representatives

Second Meeting of the Rubber Study Group

[Released to the press November 6]

A meeting of the Rubber Study Group has been arranged for November 20, 1945 in London with the United Kingdom as host Government. This is the second Rubber Study Group meeting, the first having been held in Washington during January 1945, with the United States acting as host. The purpose of the meeting is to carry a stage further the studies of the post-war rubber situation which were begun at the previous meeting.¹

Donald D. Kennedy, Chief of the International Resources Division, Department of State, will be the United States representative. Mr. Kennedy will be accompanied by W. T. Phillips and J. N. DuBarry from his staff, by H. C. Bugbee, attaché, American Embassy, London, and by the following advisers from the Rubber Advisory Panel of the Department of State:

P. W. LITCHFIELD, chairman, Goodyear Tire and Rubber Company

JOHN L. COLLYER, president, B. F. Goodrich Company

HARVEY S. FIRESTONE, Jr., president, Firestone Tire and Rubber Company

H. STUART HOTCHKISS, chairman, Cambridge Rubber Company

A. L. VILES, president, Rubber Manufacturers Association, Inc.

GEORGE M. TISDALE, director, Rubber Bureau

ALAN GRANT, president, Rubber Development Corporation

GEORGE WHITE, Jr., deputy director, Rubber Reserve

Preparatory Commission of the United Nations

RESOLUTION ON LOCATION OF HEADQUARTERS

[Released to the press by the Preparatory Commission of the United Nations October 27]

The Executive Committee of the Preparatory Commission of the United Nations this afternoon resumed discussion on the location of the United Nations headquarters. A resolution was approved recommending to the Preparatory Commission:

(1) that the permanent headquarters of the United Nations be located in the United States of America;

(2) that the Preparatory Commission should recommend to the General Assembly the precise location of the permanent headquarters, and furthermore recommend the exact requirements which would be embodied in an agreement between the host country and the United Nations;

(3) that the Preparatory Commission should authorize a committee to make such studies and undertake such consultations with the authorities of the host country as may be necessary for the purpose of ascertaining their readiness to meet such requirements.

The Delegates of France, the United Kingdom, and the Netherlands stated that they would abstain, should the resolution be put to the vote.

The Executive Secretary was then authorized to prepare a comparative report on the proposals concerning the headquarters, to be submitted to the Preparatory Commission.

Reconvening of Far Eastern Advisory Commission

After a week's recess the Far Eastern Advisory Commission reconvened on November 6. The Commission elected Maj. Gen. Frank R. McCoy Chairman of the Commission and Nelson T. Johnson Secretary General. Business of the Commission consisted of discussion of procedural and organizational matters.

¹ BULLETIN of Jan. 21, 1945, p. 108; Jan. 28, 1945, p. 128; Feb. 4, 1945, p. 161.

Water Treaty and Protocol With Mexico

ENTRY INTO FORCE

[Released to the press November 8]

At 12:30 p. m. today, November 8, 1945, the Secretary of State, and Antonio Espinosa de los Monteros, Mexican Ambassador in Washington, exchanged the instruments of ratification of the treaty and supplementary protocol between the United States and Mexico relating to the utilization of the waters of the Colorado and Tijuana Rivers and of the Rio Grande (Rio Bravo) from Fort Quitman, Texas, to the Gulf of Mexico. The treaty was signed in Washington on February 3, 1944. The supplementary protocol was signed in Washington on November 14, 1944.

The Secretary of State and the Mexican Ambassador signed a protocol of exchange of instruments of ratification attesting to the fact that the exchange had been effected. Before signing this document, each of them made a brief statement emphasizing the importance of the treaty as a basis for improving relations between the two countries.

The President of the United States signed his instrument of ratification on November 1, 1945, the Senate having given its advice and consent thereto by resolution of April 18, 1945. The Mexican instrument of ratification was signed by the President of Mexico on October 16, 1945, in accordance with a Decree of September 27, 1945 of the Mexican Senate.

It is provided in article 28 of the treaty that it shall enter into force on the day of the exchange of ratifications. The supplementary protocol, by its own terms, is an integral part of the treaty. Consequently, the treaty and protocol entered into force on November 8, 1945, when the exchange of instruments of ratifications was effected.

Among the persons who were present to witness the ceremony were the following officials of the United States and Mexican Governments:

United States Senate:

TOM CONNALLY
WARREN R. AUSTIN
EUGENE D. MILLIKIN
JOSEPH C. O'MAHONEY
SHERIDAN DOWNEY

House of Representatives:

SOL BLOOM

Department of State and Foreign Service:

DEAN ACHESON, Under Secretary of State
SPRUILLE BRADEN, Assistant Secretary of State

GREEN H. HACKWORTH, Legal Adviser

GEORGE S. MESSERSMITH, American Ambassador to Mexico

Mexican Officials:

ALFONSO GONZÁLEZ GALLARDO, Under Secretary of Agriculture

MARTÍNEZ BAEZ, Under Secretary of Public Health

RAFAEL DE LA COINA, Envoy Extraordinary and Minister Plenipotentiary

Rear Admiral IGNACIO GARCÍA JURADO, naval attaché, Mexican Embassy

Brigadier General CRISTOBAL GUZMÁN CÁRDENAS, military attaché, Mexican Embassy

VICENTE SÁNCHEZ GAVITO, Counselor of Embassy

SALVADOR DUHART, Counselor of Embassy

LUCIANO WIECHERS, Counselor of Embassy

LUIS FERNÁNDEZ MACGREGOR, Counselor of Embassy

International Boundary Commission, United States and Mexico:

LAWRENCE M. LAWSON, United States Commissioner

RAFAEL FERNÁNDEZ MACGREGOR, Mexican Commissioner

Department of the Interior:

MICHAEL W. STRAUS, Assistant Secretary of the Interior

HARRY W. BASHORE, Commissioner, Bureau of Reclamation

The treaty of February 3, 1944 was signed for the United States by Cordell Hull, then Secretary of State, Ambassador Messersmith, and Commissioner Lawson, and for Mexico by Francisco Castillo Nájera, then Mexican Ambassador in Washington, and Commissioner Fernández MacGregor. The supplementary protocol of November 14, 1944 was signed for the United States by Edward R. Stettinius, Jr., then Secretary of State, and for Mexico by Ambassador Castillo Nájera.

The text of the statement made by the Secretary of State on the occasion of the exchange of instruments of ratification reads as follows:

"MR. AMBASSADOR. We are about to sign the protocol of the exchange of ratifications of the treaty relating to the utilization of the waters of certain streams that run along or across our common boundary.

"By this act we shall bring to a successful conclusion the efforts of our Governments over a period of several decades to find a mutually acceptable solution to the problem of making an equitable division of the water supply of these rivers and at the same time providing cooperatively the means of controlling, conserving, and distributing

these waters in such manner that in both countries the people and communities in these river basins will be able to carry forward their developments.

"That this treaty will make possible, in each country, the maximum feasible water uses along these rivers is a tribute to the technical skill of the engineers and consultants engaged upon the complicated studies involved in this question and to the vision, the friendly cooperation, and sense of fairness of the negotiators.

"Likewise, Mr. Ambassador, we have reason to be gratified at the fair and full consideration which, in accordance with our political institutions and procedures, was given to this treaty by the Senates of our two Republics, both in the hearings and in the debates.

"The procedures before these two legislative bodies, together with the able assistance of the press and radio, assured every interested person and group an opportunity to be informed and to be heard in regard to the merits of this important agreement.

"In signing this protocol, Mr. Ambassador, I have full confidence that this treaty which is about to become of force will constitute an historic milestone in the annals of the cordial relations between Mexico and the United States.

"I am confident also, that its provisions will in the years to come assure steadily increasing well-being and prosperity to the peoples and communities—in either country—dependent upon these vital water resources, and that its great significance and beneficent influence will be felt far beyond our national frontiers."

The text of the statement made by the Mexican Ambassador reads as follows:

"I fully agree with you, Mr. Secretary, that this is the most appropriate occasion to pay tribute to the magnificent work of the negotiators and the technical advisers who collaborated in the drafting of the treaty which will enter into effect as a result of this exchange of ratifications. For the treaty truly exemplifies the high degree of cooperation which can and should always exist between neighboring countries. The scientific skill and knowledge of Mexico and of the United States; the statistical data gathered during many years on both sides of the common boundary; the spirit of understanding of the representatives of the two Governments in the negotiations—all of these were brought together in a joint effort to solve the prob-

lems relating to the equitable distribution and maximum utilization of the water supply of our international rivers. And it is particularly important to stress the fact that this cooperative endeavor attained success in the dark days in which the world, confronted by the tragic spectacle of war, seemed to have lost faith and hope in international cooperation for constructive purposes.

"It was then that the Ministry of Foreign Relations in Mexico and the Department of State announced the successful termination of the prolonged negotiations. On February 3, 1944 the treaty was signed. Immediately afterwards the process of consultation of public opinion—which you, Mr. Secretary, have so aptly described—was put in motion. In spite of the restrictions and demands of the war emergency, an important and highly technical covenant was being openly debated. In a word, our political institutions were again giving evidence of innate vitality. It was this strength that shortly thereafter was to carry us to military victory.

"Now that the war has been won, Mexico and the United States, with unwavering faith in the future, with the firm conviction of having evolved a model formula for the neighborliness, take the final step in the long road towards the efficient utilization of our common streams. The betterment of living conditions in these river basins and the enhancement of their resources are the finest monument our countries can consecrate to the ideal of international cooperation."

EXCHANGE OF RATIFICATIONS

[Released to the press November 9]

Following are the texts of an exchange of telegrams between the President of the United States and the President of Mexico and the United States Secretary of State and the Mexican Secretary of Foreign Affairs on the occasion of the exchange of ratifications of the United States - Mexican water treaty:

MEXICO, D. F., MEXICO,
November 8, 1945.

His Excellency

HARRY S. TRUMAN,

*President of the United States of America,
Washington, D. C.*

The exchange of ratifications of the water treaty signed between our two governments the third of

February, 1944 not only places in force this important international instrument, whose application will redound to the benefit of our two countries, but also constitutes at the same time a valuable testimony to the friendship and collaboration which inspires the actions of our two governments.

Convinced that this same spirit will continue governing in the future not only the relations between Mexico and the United States but also their contribution to the general cause of universal peace and security on the foundations of justice, of respect and of sovereign equality, I am pleased to reiterate to Your Excellency the assurances of my highest and most distinguished consideration.

MANUEL AVILA CAMACHO

President of the United Mexican States

NOVEMBER 9, 1945.

His Excellency

General MANUEL AVILA CAMACHO,

*President of the United Mexican States,
Mexico, D.F.*

I have received your gracious message of November 8 regarding the exchange of ratifications of the water treaty.

The exchange of these ratifications affords me great personal satisfaction, as I am sure it does you. It is the culmination of the labors of many people in both countries over a long period of time. The treaty is a monument to the wisdom and patience of our statesmen and an example to the rest of the world of how border problems, complex and vexatious as they may be, can be amicably adjusted by good neighbors.

You may be sure that every step is being taken by this Government to insure that the necessary funds, materials and manpower will be made promptly available so that there will be no delay in the building of its share of the great international works provided for by the treaty and essential to its proper functioning. I look forward to a long period of steadily increasing prosperity in and of strengthened mutual cooperation among our border communities.

I send, Mr. President, the assurances of my highest consideration and my kindest personal regards.

HARRY S. TRUMAN

MEXICO, D.F., MEXICO,
November 8, 1945.

His Excellency

JAMES F. BYRNES,

*Secretary of State,
Washington, D. C.*

In my dual capacity of Secretary of Foreign Affairs and of signer of the international water treaty which today enters into force, I am pleased to express to Your Excellency my satisfaction for this act which, in addition to resolving such a transcendental problem in a mutually beneficial form, constitutes a constructive international example. Informed that Your Excellency has wished to give the ceremony of the exchange of ratifications special emphasis by assembling the honorable members of the Committee on Foreign Relations of the United States Senate, as well as the American signers of the instrument under reference, I beg of you to make known to them my warmest felicitations.

I reiterate to Your Excellency the testimony of my highest and most distinguished consideration.

FRANCISCO CASTILLO NÁJERA

Secretary of Foreign Affairs

NOVEMBER 9, 1945.

His Excellency

FRANCISCO CASTILLO NÁJERA,

*Secretary of Foreign Affairs,
Mexico, D.F.*

I acknowledge with cordial appreciation the receipt of your message of November 8 regarding the exchange of ratifications of the water treaty, on behalf of which you rendered a most distinguished service as a signer while you were Ambassador of Mexico at Washington.

The exchange of ratifications was effected in the presence of a large and representative gathering which included the Chairman of the Foreign Relations Committee of the United States Senate and the Chairman of the House Committee on Foreign Affairs. I shall take pleasure in conveying to these gentlemen, Messrs. Connally and Bloom, your warmest felicitations, as requested.

Accept, Excellency, the assurances of my highest consideration.

JAMES F. BYRNES

Secretary of State.

Pearl Harbor Investigation

WHITE HOUSE DIRECTIVE

The White House on November 8 made public the following memorandum which was sent to the chief executives of all executive departments, agencies, commissions, and bureaus, including the Joint Chiefs of Staff:

Section 3 of the concurrent resolution creating the Joint Congressional Committee on the Investigation of the Pearl Harbor Attack reads as follows:

"Section 3. The testimony of any person in the armed services, and the fact that such person testified before the joint committee herein provided for, shall not be used against him in any court proceeding or held against him in examining his military status for credits in the service to which he belongs."

In order to assist the Joint Committee to make a full and complete investigation of the facts relating to the events leading up to or following the attack, you are requested to authorize every person in your respective departments or agencies, if they are interrogated by the Committee or its counsel, to give any information of which they may have knowledge bearing on the subject of the Committee's investigation.

You are further requested to authorize them whether or not they are interrogated by the Committee or its counsel to come forward voluntarily and disclose to the Committee or to its counsel any information they may have on the subject of the inquiry which they may have any reason to think may not already have been disclosed to the Committee.

This directive is applicable to all persons in your departments or agencies whether they are in the armed services or not and whether or not they are called to testify before the Joint Committee.

Delay of "Gripsholm" for Repairs

[Released to the press November 6]

The Department of State announces that the M. S. *Gripsholm*, operating as a relief ship for the

repatriation of American citizens and their close relatives stranded by the war in the Mediterranean area, has been delayed for repairs and will be about four weeks late in completing its third repatriation voyage.

The *Gripsholm* left New York on October 16 and developed engine trouble upon its arrival at Naples on October 28. With the cooperation of Army, Navy, and War Shipping Administration authorities at Naples, east-bound passengers for Greece and Egypt were transferred to other vessels, and the *Gripsholm* proceeded to Palermo for extensive repairs. It is expected to resume its journey in about four weeks and will embark passengers for the United States at Piraeus, Salonika, Alexandria, Palermo, Naples, and Marseille, returning to New York about the last week in December. All space for the current voyage has been allocated, and it is not possible to make additional reservations for west-bound passage.

A fourth repatriation voyage of the *Gripsholm* into the Mediterranean is anticipated, but no schedule can be made until the vessel has returned to New York and a final determination is made as to what additional repairs are necessary at that time.

Advisory Committee on Commercial Activities of the Foreign Service

[Released to the press by the Department of Commerce November 6]

The Advisory Committee on the Commercial Activities of the Foreign Service, established recently by the Secretaries of State and Commerce to review current methods of foreign trade promotion in the light of new and changing conditions, will hold its first meeting at the Department of Commerce on November 8.¹ Amos E. Taylor, Director of the Bureau of Foreign and Domestic Commerce, will preside at the meeting.

The Advisory Committee is composed of businessmen, designated by seven national business organizations interested in foreign trade. These organizations are the Chamber of Commerce of

¹ For organization of the Committee, see BULLETIN of Sept. 23, 1945, p. 436.

the United States, the Committee for Economic Development, the National Association of Manufacturers, the National Council of American Importers, the National Foreign Trade Council, the United States Associates of the International Chamber of Commerce, and the Bankers Association for Foreign Trade.

The committee, according to Mr. Taylor, will examine and formulate recommendations regarding commercial and other economic reporting by the Foreign Service for the use of business interests in the United States and recommend regulations and instructions regarding such reporting. It will also consider the appropriate channels for the dissemination to business of the information received from abroad.

In addition it will examine the regulations and instructions regarding the promotion and protection of foreign trade and the practices of the Foreign Service in rendering direct assistance to United States importers, exporters, and businessmen visiting or resident abroad.

THE FOREIGN SERVICE

Consular Offices

The American Consulate General at Shanghai, China, was opened to the public on November 1, 1945.

THE CONGRESS

Supplemental Estimates of Appropriation for the Department of State. Communication from the President of the United States transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$2,000,000 for the Department of State. H.Doc. 372, 79th Cong. 2 pp.

Atomic Energy Act of 1945. H. Rept. 1186, 79th Cong., to accompany H.R. 4566. 18 pp. [Favorable report.]

Atomic Energy: Hearings before the Committee on Military Affairs, House of Representatives, Seventy-ninth Congress, first session, on H.R. 4280, an Act for the development and control of atomic energy. October 9 and 18, 1945. iii, 141 pp.

Providing for the Appointment of Representatives of the United States in the Organs and Agencies of the United Nations, and To Make Other Provision With Respect to the Participation of the United States in Such Organization. S.Rept. 717, 79th Cong., to accompany S. 1580. 7 pp. [Favorable report.]

United Nations Relief and Rehabilitation Administration, 1946: Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, Seventy-ninth Congress, first session, on a House Joint Resolution making appropriations for the United Nations Relief and Rehabilitation Administration for the fiscal year 1946. ii, 273 pp.

Sale of Certain Government-Owned Merchant Vessels: Hearings before a Subcommittee of the Committee on Commerce, United States Senate, Seventy-ninth Congress, first session, on S. 292, a Bill to provide for the sale of certain Government-owned merchant vessels, and for other purposes. September 14, 19, 25, 26, October 8, 9, and 12, 1945. Part 2. iii, 310 pp.

Publications

of the DEPARTMENT OF STATE

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., who is the authorized distributor of Government publications. To avoid delay, address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

★*American Foreign Policy: 12 Guiding Principles.* Publication 2410. 4 pp. 5¢.

Statements made by President Truman on Navy Day, October 27, 1945.

A cumulative list of the publications of the Department of State, from October 1, 1929 to July 1, 1945 (publication 2373) may be secured from the Department of State.

* 9353. 117 33

THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 334

NOVEMBER 18, 1945

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By John V. Lovitt

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THE DEPARTMENT OF STATE

BULLETIN



Vol. XIII • No. 334

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November 18, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents

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Survey of Economic Policy Toward the European Neutrals

BY JOHN V. LOVITT¹

THE POSITION of the several European neutrals in terms of Allied economic policy varies greatly. During most of the war Sweden and Switzerland were completely surrounded by the Axis, yet they were not entirely cut off from the outside world. Sweden was permitted a limited trade via Göteborg, and Switzerland via Genoa. This trade was subject to both Allied and Axis control. Economic policy toward Turkey and Portugal was largely influenced by the fact that they were allies of Great Britain. Spain, while neither an ally of nor geographically surrounded by the Axis, was of particular interest to the military in connection with the invasion of North Africa. In political complexion the neutrals vary from the ancient democracy of Switzerland to the dictatorship of Franco.

These dissimilarities made it necessary to deal with each neutral separately.

Although hostilities have ended, dissimilarities among the neutrals still persist. Some of these dissimilarities grow out of continuing obligations under the war trade agreements; some are due to the various degrees of cooperation of the particular neutral in post-war plans of the Allies; and some result from the relative importance economically of the particular neutral to the reconstruction of Europe.

There are, however, factors common to all the neutrals which have made possible the formulation of broad policies of fairly uniform application. In the space of this article those factors alone will be explored, to the exclusion of a detailed consideration of each neutral separately.

The War Period

THE PREDOMINANT OBJECTIVE during the war was to obtain the elimination or drastic reduction of the economic aid which the neutrals gave the Axis war potential. Chief importance was placed on the exports to the Axis of ball-bearings and iron ore from Sweden; arms, ammunition, and certain precision tools from Switzerland; wolfram from Spain and Portugal; and chrome from Turkey. There were also certain special quasi-military objectives which the Allies sought to realize through economic pressure. Among the more important objectives of this latter type were the cessation of enemy military traffic in war material and in troops on leave across Sweden to Norway and Finland, the transit of loot and war materials across Switzerland between Germany and northern Italy, and the procurement of small quantities of highly strategic material needed by the military, notably chronometer- and jewel-bearings from Switzerland and certain types of ball-bearings from Sweden.

To accomplish their purposes the Allies had in their arsenal various weapons of economic warfare of which the blockade was the basic device. The blockade was effective because of the fact that, although the neutrals obtained a large part of their essential imports from Axis Europe, they were all dependent on certain supplies which could be obtained only from overseas. Petroleum was probably the most strategic of these supplies,

¹ Mr. Lovitt is an Adviser in the War Areas Economic Division and Chief of the Section on Blockade and the European Neutrals, Office of International Trade Policy, Department of State.

but certain food items and some industrial raw materials became almost equally as important as the war progressed and as European stockpiles became depleted.

It is interesting to observe that, although the blockade was the most effective in history, in the sense of international law it was not a blockade but was an extension of the belligerent right to condemn contraband. The old rule that conditional contraband (goods susceptible to both military and civilian use) could be condemned only if destined for the enemy armed forces had no meaning under the conditions of "total war" when all materials were being used to maintain the enemy's fighting strength. Therefore, the distinction between conditional contraband and absolute contraband (war material which could be condemned if destined merely to enemy territory) disappeared. Thus, generally speaking, all goods destined for enemy territory were subject to condemnation.

It was, however, often difficult to prove ultimate enemy destination when goods were consigned to neutral territory. It is true that when a neutral imported a commodity in amounts *greatly* in excess of normal a presumption of on-shipment to the enemy would arise, but such a presumption was of limited and uncertain application in the Prize Court. The position in international law with respect to enemy exports was also unsatisfactory from the Allied point of view because the Declaration of Paris protected enemy goods shipped in neutral vessels. The effectiveness of the legal sanctions of the blockade was greatly enhanced by the Reprisal Orders-in-Council (1940), which raised a legal presumption that all goods not covered by a navicert (a passport through the blockade issued under Allied authority) were destined to the enemy and all goods exported from a neutral port from which goods of enemy origin or ownership might have been shipped were liable to condemnation unless covered by a Certificate of Origin and Interest (the equivalent of the navicert on the export side). Presumptions, however, could be rebutted, and even the legal basis of the Orders-in-Council—the right of retaliation—is questioned by many jurists. The legal sanctions, therefore, had to be supplemented by economic sanctions. Thus,

through their control of insurance facilities, bunkers, and supplies, the Allies could prevent the sailing of a ship unless all her cargo was navicerted. This means of enforcing the blockade proved in the end to be the most effective.

By means of the blockade the Allies achieved a control over both neutral imports and exports. This position, together with their control over most of the important sources of supply outside Europe, was used as a basis to negotiate a series of wartime arrangements with the neutrals by which, in return for import quotas, the neutrals agreed to reduce strategic exports to the Axis and to meet other requirements of the Allied economic-warfare program.²

The blockade was supplemented by blacklisting firms in neutral territory giving aid to the Axis. This *inter alia* prevented these firms from receiving imports from overseas because a navicert would not be issued for a blacklisted consignee. Through the threat of listing or as a condition to de-listing, reductions were brought about in an individual firm's exports to the Axis. In some cases preclusive purchasing was used to immobilize stocks of strategic material which might otherwise be acquired by the Axis.

The policy which was followed by the Allies in making use of these weapons of economic warfare to accomplish their objectives has nowhere been better stated than by Secretary of State Cordell Hull in a broadcast of April 9, 1944:

"This growth of our strength entails consequences in our foreign policy. Let us look first at our relations with the neutral nations.

"In the two years following Pearl Harbor, while we were mustering our strength and helping to restore that of our Allies, our relations with these neutral nations and their attitude toward our enemies were conditioned by the position in which we found ourselves. We have constantly sought to keep before them what they, of course, know—that upon our victory hangs their very existence and freedom as independent nations. We have sought in every way to reduce the aid which their trade with the enemy gives him and to increase the strength which we might draw from them. But our power was limited. They and we have continually been forced to accept compromises which we certainly would not have chosen.

"That period, I believe, is rapidly drawing to

²For an article on the Allied blockade by Mr. Lovitt, see BULLETIN of Nov. 19, 1944, p. 597.

a close. It is clear to all that our strength and that of our Allies now makes only one outcome of this war possible. That strength now makes it clear that we are not asking these neutral nations to expose themselves to certain destruction when we ask them not to prolong the war, with its consequences of suffering and death, by sending aid to the enemy.

"We can no longer acquiesce in these nations' drawing upon the resources of the allied world when they at the same time contribute to the death of troops whose sacrifice contributes to their salvation as well as ours. We have scrupulously respected the sovereignty of these nations; and we have not coerced, nor shall we coerce, any nation to join us in the fight. We have said to these countries that it is no longer necessary for them to purchase protection against aggression by furnishing aid to our enemy—whether it be by permitting official German agents to carry on their activities of espionage against the Allies within neutral borders, or by sending to Germany the essential ingredients of the steel which kills our soldiers, or by permitting highly skilled workers and factories to supply products which can no longer issue from the smoking ruins of German factories. We ask them only, but with insistence, to cease aiding our enemy."³

Throughout the war the success of Allied economic-warfare measures was cumulative, and months before the surrender of Germany all the Allied objectives had been obtained. To touch upon the highlights only—Sweden stopped the export of ball-bearings to the Axis and the military transit across Sweden in the summer of 1944. By the end of the year she had stopped all exports to Germany. Switzerland had greatly reduced her exports to Germany in 1943 and by December 1944 had eliminated the export of most strategic items and had stopped the transit across her territory of loot and Axis war matériel. A further agreement with the Swiss in March brought Swiss-German trade to a standstill. Portugal had stopped the export of wolfram by June 6, 1944 and had previously ceded the Allies air bases in the Azores. Spain embargoed the export of wolfram on February 1 of the same year as a result of having been cut off from petroleum supplies from overseas. Turkey had ceased the export of chrome by April 20, 1944.

The Post-Hostilities Period¹

WITH THE END of hostilities in Europe the entire picture changed. Late in 1944, in anticipation of the defeat of Germany, an inter-departmental committee approved a statement of economic policy toward the neutrals of which the salient factors were:

1. The neutrals would obtain enactment and implementation of:

a. effective measures which would assist in the restitution of loot, in the preventing of sequestration of flight capital, and in the disclosing of all Axis assets; which would prevent export of enemy property into or through neutral territory; and which would circumvent German economic penetration or control of neutral economies;

b. measures which would recognize Allied authority within their jurisdiction over all enemy assets; and

c. effective measures which would prevent goods, particularly those of low volume but of high strategic value, from going from or through their countries to Japan. (Now obsolete.)

2. Obtaining of neutral cooperation in resolving the confusion of property relationships arising from enemy occupation of various Allied countries and the enemy's attempts to cloak their dealings through neutral agents.

3. Obtaining of agreement with the neutral countries not to obstruct the program adopted by the Allies for continuing the Statutory and Proclaimed Lists, known as "blacklists".

4. Preventing of the disruption, by neutral competition, of Allied procurement arrangements for goods in tight supply.

5. Enlisting of a contribution by the neutral countries in proportion to their resources for the relief and rehabilitation of liberated areas.

6. Obtaining of the cooperation of the neutral countries in supplying Allied requirements.

With the exception of the first and second, these objectives have been largely achieved. The blacklists have been revised but are still in force and, while in some quarters they are not officially recognized by the neutral governments involved *modus operandi*, have been devised with the consent of the neutrals to prevent goods from overseas from reaching blacklisted firms. The neutrals have readily agreed to coordinate their purchases of commodities in short supply with Allied

³ BULLETIN of Apr. 15, 1944, p. 336.

programs of procurement and distribution. In one form or another they have shown their willingness to assist in the rehabilitation of devastated areas. They have also facilitated the procurement by Allied military and other authorities of large amounts of indigenous products and manufactures.

With respect to the first two objectives, although considerable progress has been made, much is still to be desired. Where they are requested to do so, the neutrals have agreed to take a census and freeze Axis assets. They have also in principle agreed to restore looted property, but, except in the case of Sweden, procedures to accomplish this purpose are cumbersome. The neutrals have not, however, agreed to give Allied authorities the information derived from the census in the detail and form which the Allies have requested; nor have they recognized, within their jurisdictions, Allied authority over enemy assets; nor have they been sufficiently cooperative in dealing with Axis personnel, particularly technicians. The failure of the neutrals to cooperate completely with the Allies on these "Safehaven" objectives is at present the sore spot in Allied relations with the European neutrals. The importance of measures to prevent the neutrals from becoming a "Safehaven" for enemy assets and technical personnel is directly connected with preventing Germany from again attaining the position to threaten the peace of the world.⁴ It is the firm resolve of the Allies that the neutrals shall not wittingly or unwittingly constitute a base where the resurgence of the Nazis can be nurtured on hidden assets and where their technicians can continue their development of new weapons of destruction.

A brief reference should be made to the position of the neutrals with respect to supply. This position was authoritatively stated on June 19, 1945, by Acting Secretary Grew in a letter to Mr. Crowley, Administrator of the Foreign Economic Administration, Mr. Krug, Chairman of the War Production Board, Secretary Wickard of the Department of Agriculture, and Judge Jones, Administrator of the War Food Administration, as follows:

⁴ For discussion of the Safehaven program, see Assistant Secretary Clayton's statement in *BULLETIN* of July 1, 1945, p. 27.

⁵ Announced by FEA in its *Export Bulletin* No. 276, Sept. 10, 1945, the summary of which was printed in the *BULLETIN* of Sept. 16, 1945, p. 397.

"During the past several years our economic relations with the various European neutral governments have been largely dominated by considerations of economic warfare and other factors directly or indirectly related to the prosecution of the war. The quantities of the supplies which these neutrals were allowed to draw from all overseas sources, including this country, reflected these considerations.

"The end of hostilities in Europe, however, has resulted in the complete rupture of economic relations between Germany and the neutrals, and it is now appropriate to restate the policy under which supplies should be granted to the European neutrals from this country.

"The Department, as a matter of policy, now desires to make clear that the supply needs of the European neutrals should be accorded a position clearly subordinate to the essential requirements of the liberated areas. Of course occasions may arise from time to time in the future which will render it desirable to assume specific supply undertakings on our part; for example, in connection with provision by certain of the neutrals of local resources for the liberated areas or the attainment of our residual economic warfare objectives."

Since the end of hostilities it has been the policy of this Government to remove wartime restrictions on international trade as rapidly as possible, but it is still necessary to control quantitatively neutral imports of commodities in short supply and to deny imports to firms on the blacklist. It has been possible, however, to decentralize the navicert system and to avoid the delays instant to referring of applications to London. This decentralization has been worked out with the neutrals by placing reliance upon import regulations established by the neutrals at Allied request to restrict to quantitative limits those items in short supply.

A great step forward in freeing trade was taken by the FEA in the issuance of export regulations withdrawing all controls over commercial shipment of most commodities to most countries throughout the world.⁵ As a result of these new export regulations, all exports except a few in short supply are placed on general license. All the neutrals except Spain may import these commodities from the United States without quantitative limitation and without an export license.

(Continued on page 786)

Atomic Energy¹

AGREED DECLARATION BY

*The President of the United States,
The Prime Minister of the United Kingdom, and
The Prime Minister of Canada.*

[Released to the press by the White House November 15]

THE PRESIDENT OF THE UNITED STATES, THE PRIME MINISTER OF THE UNITED KINGDOM, AND THE PRIME MINISTER OF CANADA have issued the following statement.

1. We recognize that the application of recent scientific discoveries to the methods and practice of war has placed at the disposal of mankind means of destruction hitherto unknown, against which there can be no adequate military defence, and in the employment of which no single nation can in fact have a monopoly.

2. We desire to emphasize that the responsibility for devising means to ensure that the new discoveries shall be used for the benefit of mankind, instead of as a means of destruction, rests not on our nations alone, but upon the whole civilized world. Nevertheless, the progress that we have made in the development and use of atomic energy demands that we take an initiative in the matter, and we have accordingly met together to consider the possibility of international action:

(a) To prevent the use of atomic energy for destructive purposes

(b) To promote the use of recent and future advances in scientific knowledge, particularly in the utilization of atomic energy, for peaceful and humanitarian ends.

3. We are aware that the only complete protection for the civilized world from the destructive use of scientific knowledge lies in the prevention of war. No system of safeguards that can be devised will of itself provide an effective guarantee against production of atomic weapons by a nation bent on aggression. Nor can we ignore the possibility of the development of other weapons, or of new methods of warfare, which may constitute as great a threat to civilization as the military use of atomic energy.

4. Representing as we do, the three countries which possess the knowledge essential to the use of atomic energy, we declare at the outset our willingness, as a first contribution, to proceed with the exchange of fundamental scientific information and the interchange of scientists and scientific literature for peaceful ends with any nation that will fully reciprocate.

5. We believe that the fruits of scientific research should be made available to all nations, and that freedom of investigation and free interchange of ideas are essential to the progress of knowledge. In pursuance of this policy, the basic scientific information essential to the development of atomic energy for peaceful purposes has already been made available to the world. It is our intention that all further information of this character that may become available from time to time shall be similarly treated. We trust that other nations will adopt the same policy, thereby creating an atmosphere of reciprocal confidence in which political agreement and cooperation will flourish.

6. We have considered the question of the disclosure of detailed information concerning the practical industrial application of atomic energy. The military exploitation of atomic energy depends, in large part, upon the same methods and processes as would be required for industrial uses.

We are not convinced that the spreading of the specialized information regarding the practical application of atomic energy, before it is possible to devise effective, reciprocal, and enforceable safeguards acceptable to all nations, would contribute

¹The Secretary of State announced immediately after release of the declaration that texts were cabled to the foreign ministers of the permanent members of the United Nations Security Council, and later in the day he advised that the remainder of the United Nations were informed of the declaration.

to a constructive solution of the problem of the atomic bomb. On the contrary we think it might have the opposite effect. We are, however, prepared to share, on a reciprocal basis with others of the United Nations, detailed information concerning the practical industrial application of atomic energy just as soon as effective enforceable safeguards against its use for destructive purposes can be devised.

7. In order to attain the most effective means of entirely eliminating the use of atomic energy for destructive purposes and promoting its widest use for industrial and humanitarian purposes, we are of the opinion that at the earliest practicable date a Commission should be set up under the United Nations Organization to prepare recommendations for submission to the Organization.

The Commission should be instructed to proceed with the utmost dispatch and should be authorized to submit recommendations from time to time dealing with separate phases of its work.

In particular the Commission should make specific proposals:

(a) For extending between all nations the exchange of basic scientific information for peaceful ends,

(b) For control of atomic energy to the extent necessary to ensure its use only for peaceful purposes,

(c) For the elimination from national armaments of atomic weapons and of all other major weapons adaptable to mass destruction,

(d) For effective safeguards by way of inspection and other means to protect complying states against the hazards of violations and evasions.

8. The work of the Commission should proceed by separate stages, the successful completion of each one of which will develop the necessary confidence of the world before the next stage is undertaken. Specifically it is considered that the Commission might well devote its attention first to the wide exchange of scientists and scientific information, and as a second stage to the development of full knowledge concerning natural resources of raw materials.

9. Faced with the terrible realities of the application of science to destruction, every nation will realize more urgently than before the overwhelming need to maintain the rule of law among nations and to banish the scourge of war from the earth. This can only be brought about by giving

wholehearted support to the United Nations Organization, and by consolidating and extending its authority, thus creating conditions of mutual trust in which all peoples will be free to devote themselves to the arts of peace. It is our firm resolve to work without reservation to achieve these ends.

The City of Washington

THE WHITE HOUSE

November 15, 1945

HARRY S. TRUMAN

President of the United States

C. R. ATTLEE

Prime Minister of the United Kingdom.

W. L. MACKENZIE KING

Prime Minister of Canada

Anglo-American Caribbean Commission

The Report of the Anglo-American Caribbean Commission to the Governments of the United States and Great Britain for the Year 1944 has been published by the Commission.

The report includes the following topics: auxiliary bodies of the Commission, the Barbados conference, food, public health, the Caribbean travel industry, the *West Indian Radio Newspaper*, the Schooner Pool, a topographical survey, the Caribbean Research Council, Caribbean labor in the United States, meetings during the year, and personnel. Appended to the report are the joint communiqué of March 9, 1942, a list of delegates and advisers to the West Indian Conference of 1944, texts of the exchange of notes between the Governments of the United States and the United Kingdom on the Barbados conference, and the text of the circular letter from the British Secretary of State for the Colonies on Resolution 4 of the Barbados conference.

Copies of the report may be obtained from the Anglo-American Caribbean Commission, Department of State, Washington 25, D.C.

World Cooperation

Address by THE SECRETARY OF STATE¹

[Released to the press November 17]

When I accepted Charleston's very gracious invitation to return to the city of my birth and the scenes of my younger days, I thought that nothing I could say here would interest you more than world trade.

Charleston, being one of the oldest ports in America, certainly has a vital interest in the restoration of world commerce.

Since accepting this invitation to be with you I have participated in a conference in Washington which concerns every human being and civilization itself.

Therefore, before expressing some views on international trade, I wish to comment briefly on the efforts we are making to control atomic energy so that it may be used not for war and destruction but for the peace and happiness of the world.

The full significance of the release of atomic energy is not quickly or easily comprehended. As it happened, in my capacity as Director of War Mobilization I was well aware of the awesome character of the great experiment that we then referred to as the Manhattan Project.

Later, during the short period I was out of the government service, it became clear to the scientists that an atomic bomb was an immediate practical possibility. At that time I was asked to serve as the President's representative on the committee which, under the chairmanship of Secretary of War Stimson, laid the plans for the New Mexico experiment.

Despite this experience, I know that I cannot presently evaluate the true impact of this discovery upon the future of the world.

But from the day the first bomb fell on Hiroshima one thing has been clear to all of us. The civilized world cannot survive an atomic war.

This is the challenge to our generation. To meet it we must let our minds be bold. At the same time we must not imagine wishfully that overnight there can arise full grown a world government wise and strong enough to protect all of us and tolerant and democratic enough to command our willing loyalty.

If we are to preserve the continuity of civilized life, we must work with the materials at hand, improving and adding to existing institutions until they can meet the stern test of our time.

Accordingly, the President of the United States and the Prime Ministers of Great Britain and Canada—the partners in the historic scientific and engineering undertaking that resulted in the release of atomic energy—have taken the first step in an effort to rescue the world from a desperate armament race.

In their statement they declared their willingness to make immediate arrangements for the exchange of basic scientific information for peaceful purposes. Much of this kind of basic information essential to the development of atomic energy has already been disseminated. We shall continue to make such information available.

In addition to these immediate proposals the conference recommended that at the earliest practicable date a commission should be established under the United Nations Organization. This can be done within 60 days.

It would be the duty of this Commission to draft recommendations for extending the international exchange of basic scientific information for peaceful purposes, for the control of atomic energy to the extent necessary to insure its use only for peaceful purposes, and for the elimination from national armaments of atomic weapons and of all other weapons adaptable to mass destruction.

The Commission would recommend effective safeguards by way of inspection or other means to protect complying states against the hazards of violations and evasions.

Such protection would be afforded by having the work proceed by stages.

As a starting point the Commission might recommend the wide exchange of scientists and scientific information. The next step might be the

¹ Delivered at Charleston, S.C., in connection with the "Jimmy Byrnes Homecoming Day" on Nov. 16, 1945 and broadcast over the network of the National Broadcasting Company.

sharing of knowledge about the raw materials necessary to the release of atomic energy.

The successful completion of each stage would develop the confidence to proceed to the next stage.

A very serious question arises, however, when we reach the stage of exchanging detailed information about the practical industrial application of atomic energy. The thought to be borne in mind here is that up to a certain rather advanced point, the so-called "know-how" of production is the same whether atomic energy is to be stored in bombs or harnessed as power for a peaceful industrial purpose.

And so it was necessary for the conferees to determine, in the light of this fact, how soon information concerning the practical application of atomic energy should be disseminated.

Only one answer was possible. Until effective safeguards can be developed, in the form of international inspection or otherwise, the secrets of production know-how must be held, in the words of the President, as a sacred trust—a trust in the exercise of which we are already under definite international obligation.

Under the Charter of the United Nations we have pledged ourselves not to use force except in support of the purposes and principles of the Charter. The suggestion that we are using the atomic bomb as a diplomatic or military threat against any nation is not only untrue in fact but is a wholly unwarranted reflection upon the American Government and people.

It is one of the inherent characteristics of our democracy that we can fight a war only with the genuine consent of our people. No President in the absence of a declaration of war by the Congress could authorize an atomic bombing without running the risk of impeachment.

No one who knows the peace-loving temper of our people can believe that our Congress would adopt a declaration of war contrary to our solemnly undertaken obligations under the United Nations Charter.

The history of 1914 to 1917 and of 1939 to 1941 is convincing proof of the slowness of Congress to declare war. There is surely no reason to believe that it would be more eager to engage in a future war more terrible than any we have known.

While we consider it proper and necessary, therefore, to continue for a time to hold these production secrets in trust, this period need not be unnecessarily prolonged.

As experience demonstrates that the sharing of information is full and unreserved, it is to be hoped that the exchange for peaceful purposes can be extended to some and eventually to all the practical applications of atomic energy and of other scientific discoveries. This is the objective we seek.

It is our purpose and grave duty to act in our relations with other nations with the boldness and generosity that the atomic age demands of us. No officials of government have ever been called upon to make a decision fraught with more serious consequences. We must act. But we will act in a manner that will not undermine our safety or the safety of the world.

Our declaration of willingness to exchange immediately the basic scientific information and our plans for the setting up of a commission under United Nations sponsorship have been sent by me to members of the United Nations Organization. We look forward to their cooperation.

No one appreciates more keenly than those who have advanced these proposals that they represent a very modest first step in what is certain to prove a long and difficult journey. I wish to emphasize our conviction that the creation and development of safeguards to protect us all from unspeakable destruction is not the exclusive responsibility of the United States or Great Britain or Canada. It is the responsibility of all governments.

Without the united effort and unremitting cooperation of all the nations of the world, there will be no enduring and effective protection against the atomic bomb. There will be no protection against bacteriological warfare, an even more frightful method of human destruction.

Atomic energy is a new instrument that has been given to man. He may use it to destroy himself and a civilization which centuries of sweat and toil and blood have built. Or he may use it to win for himself new dignity and a better and more abundant life.

If we can move gradually but surely toward free and unlimited exchange of scientific and industrial information, to control and perhaps eventually to eliminate the manufacture of atomic weapons and other weapons capable of mass destruction, we will have progressed toward achieving freedom from fear.

But it is not enough to banish atomic or bacteriological warfare. We must banish war. To that great goal of humanity we must ever rededicate our hearts and strength.

To help us move toward that goal we must guard not only against military threats to world security but economic threats to world well-being.

Political peace and economic warfare cannot long exist together. If we are going to have peace in this world, we must learn to live together and work together. We must be able to do business together.

Nations that will not do business with one another or try to exclude one another from doing business with other countries are not likely in the long run to be good neighbors.

Trade blackouts, just as much as other types of blackouts, breed distrust and disunity. Business relations bring nations and their peoples closer together and, perhaps more than anything else, promote good-will and determination for peace.

Many of the existing restrictions on world trade result from present-day conditions and practices, largely growing out of the war.

Many countries, and not least Great Britain, had to sacrifice their foreign earning power to win the war. They have sold most of their foreign stocks and bonds, borrowed heavily abroad, let their foreign commerce go, and lost ships and factories to enemy attack.

Their needs for foreign goods are great and pressing, but they lack foreign exchange, that is, purchasing power to buy abroad. Without aid they cannot see their way to buy as they used to abroad, not to speak of the additional things they need from abroad to rehabilitate their shattered and devastated economies.

In a situation of this kind what can a country do? It can seek to borrow the foreign currencies it needs, which will enable it to apply the liberal principles of trade which must be the basis of any permanent prosperity.

Or it can draw in its belt. It can reduce the standard of living of its people, conserve in every way the foreign currencies that it finds hard to get, and transfer its foreign trade by government decree to countries whose currencies are easier to obtain.

In the latter way lies increased discrimination and the division of the commerce of the world into exclusive blocs. We cannot oppose exclusive blocs if we do not help remove the conditions which impel other nations, often against their will, to create them.

We must not only oppose these exclusive trading blocs but we must also cooperate with other nations in removing conditions which breed discrimination in world trade.

Whatever foreign loans we make will of course increase the markets for American products, for in the long run the dollars we lend can be spent only in this country.

The countries devastated by the war want to get back to work. They want to get back to production which will enable them to support themselves. When they can do this, they will buy goods from us. America, in helping them, will be helping herself.

We cannot play Santa Claus to the world but we can make loans to governments whose credit is good, provided such governments will make changes in commercial policies which will make it possible for us to increase our trade with them.

In addition to loans, lend-lease settlements, and the disposal of our surplus war materials, we have been discussing with Great Britain the principle of commercial relations—principles we want to see applied by all nations in the post-war world.

These are the same liberal principles which my friend and predecessor, Cordell Hull, urged for so many years.

They are based on the conviction that what matters most in trade is not the buttressing of particular competitive positions but the increase of productive employment, the increase of production, and the increase of general prosperity.

The reasons for poverty and hunger are no longer the stinginess of nature. Modern knowledge makes it technically possible for mankind to produce enough good things to go around. The world's present capacity to produce gives it the greatest opportunity in history to increase the standards of living for all peoples of the world.

Trade between countries is one of the greatest forces leading to the fuller use of these tremendously expanded productive powers. But the world will lose this opportunity to improve the lot of her peoples if their countries do not learn to trade as neighbors and friends. If we are going to have a real people's peace, world trade cannot be throttled by burdensome restrictions.

Some of these restrictions are imposed by government decree, others by private combination. They must be removed if we are to have full employment.

To do this it will be necessary to agree upon some general rules, and to apply them in detail. We shall shortly submit to the peoples of the world our views about these matters.

We intend to propose that commercial quotas and embargoes be restricted to a few really necessary cases, and that discrimination in their application be avoided.

We intend to propose that tariffs be reduced and tariff preferences be eliminated. The Trade Agreements Act is our standing offer to negotiate to that end.

We intend to propose that subsidies, in general, should be the subject of international discussion, and that subsidies on exports should be confined to exceptional cases, under general rules, as soon as the period of emergency adjustment is over.

We intend to propose that governments conducting public enterprises in foreign trade should agree to give fair treatment to the commerce of all friendly states, that they should make their purchases and sales on purely economic grounds, and that they should avoid using a monopoly of imports to give excessive protection to their own producers.

We intend to propose that international cartels and monopolies should be prevented by international action from restricting the commerce of the world.

We intend to propose that the special problems of the great primary commodities should be studied internationally, and that consuming countries should have an equal voice with producing countries in whatever decisions may be made.

We intend to propose that the efforts of all countries to maintain full and regular employment should be guided by the rule that no country should solve its domestic problems by measures that would prevent the expansion of world trade, and no country is at liberty to export its unemployment to its neighbors.

We intend to propose that an International Trade Organization be created, under the Economic and Social Council, as an integral part of the structure of the United Nations.

We intend to propose that the United Nations call an International Conference on Trade and Employment to deal with all these problems.

In preparation for that Conference we intend to go forward with actual negotiations with several countries for the reduction of trade barriers under the Reciprocal Trade Agreements Act.

Just when these negotiations will commence has not been determined. They will be announced in the usual way, as required by the act, and due notice will be given in order that all interested persons may be heard before the detailed offers to be made by the United States are settled.

Success in those negotiations will be the soundest preparation for the general conference we hope will be called by the United Nations Organization.

By proposing that the United Nations Organization appoint a commission to consider the subject of atomic energy and by proposing that the Organization likewise call a conference to enable nations to consider the problems of international trade, we demonstrate our confidence in that Organization as an effective instrumentality for world cooperation and world peace.

After the first World War we rejected the plea of Woodrow Wilson and refused to join the League of Nations. Our action contributed to the ineffectiveness of the League.

Now the situation is different. We have sponsored the United Nations Organization. We are giving it our whole-hearted and enthusiastic support. We recognize our responsibility in the affairs of the world. We shall not evade that responsibility.

With other nations of the world we shall walk hand in hand in the paths of peace in the hope that all peoples can find freedom from fear and freedom from want.

EUROPEAN NEUTRALS—*Continued from page 780.*

Checking against the blacklist now takes place in the issuance of the customs clearance instead of in the issuance of the former export license. In the case of Spain all exports are still subject to individual export licenses.

As commodities cease to be classified as short-supply items, they will come under general license and trade restrictions will gradually vanish.

Our economic policy toward the European neutrals has thus moved from a negative to a positive policy. The emphasis during the blockade period was placed on stopping neutral trade with the enemy. The effort now is to recreate as soon as possible normal international trade and to integrate the economies of the neutrals with programs for the rehabilitation of devastated Europe and for the preservation of peace.

Problems of Security and Understanding in American-Soviet Friendship

Address by UNDER SECRETARY ACHESON¹

[Released to the press November 15]

Friendship between nations, as between individuals—genuine friendship—is something that grows spontaneously. It isn't easy to promote. It never can be forced. Governments can set the tone of international relations, but in the long run it's the people who call the tune.

The word *friendship* has been applied so liberally and so loosely to international relations that it has lost much of its meaning. On this important occasion I shall try to use the word with all the care and respect that it deserves.

What are the factors that encourage close and friendly relations between the American and Soviet peoples? What are the obstacles in the way of a satisfactory friendship between us?

To say that there are overwhelming reasons why we should be friends is not to say that we are friends. To describe the bonds that unite us for better or for worse, on this miniature and crowded planet, is not to prove that we are happily united.

Now I don't propose to enter tonight into a philosophical discussion of the anatomy of friendship. But there are certain conditions that usually exist between friends, and where they don't exist you are almost certain to find something less than complete friendship.

One of those conditions might be described as an absence of tension. Friends may argue, disagree, and even quarrel, but they are relaxed with each other, in spite of their differences. They accept their disagreements as a normal part of the give and take of friendship.

To put it another way, friends are not forever taking each other apart—until each becomes obsessed and exasperated with the contradictions of the other's personality. They have accepted the terms of friendship, and they are not impelled to dig up the roots of friendship daily to see how the plant is growing.

To do this seems to me both silly and futile. Certainly it's not the way personal or international friendships are made or preserved. But in all

honesty it must be admitted that there is a good deal of this sort of thing going on in both countries.

Judging from the way our national temperatures rise and fall in relation to day-to-day events, you would think we had had no experience of living together in the same world. As a matter of fact, we have had a long and close experience, dating from the time when President Jefferson and Czar Alexander the First carried on a warm and friendly correspondence.

For nearly a century and a half we have gotten along well—remarkably well, when you consider that our forms of government, our economic systems, and our social habits have never been similar.

Certainly the contrast between our ways of life and our political institutions is no greater today, with a Communist Russia, than it was in the time of Jefferson and Czar Alexander the First, or during the period of the Civil War, when Abraham Lincoln and Czar Alexander the Second guided our respective nations in a friendly collaboration of vital importance to us in our time of trial.

In perspective, the long history of amicable relations between the American and Russian peoples compares favorably with the history of our relations with the other great nations—not excluding France and Great Britain. By any standards of international relations, the record is good.

When I say this I am not for a moment forgetting or underestimating the tremendous events of 1917 and 1918 which eliminated Russia from the ranks of our allies at a crucial moment of the first World War, or the 16-year period of blackout between our two peoples, during which we withheld diplomatic recognition of each other's existence and suspended the normal contacts without which friendship cannot flourish.

¹ Delivered at a rally sponsored by the National Council of American-Soviet Friendship in New York, N.Y., on Nov. 14, 1945.

But however great the loss to both our peoples from that gap in our relations, we need not regard it as irretrievable. Already a substantial part of it has been offset by our working partnership of World War II and the start toward peaceful cooperation that was made at the Moscow, Tehran, Crimea and San Francisco conferences, and by our joint membership in the United Nations Organization.

Taken as a whole, I repeat, the long record of common interest and common action is good. Can we put it down to chance? Can we ascribe it to all-wise governments or impeccable diplomacy? I don't think so. Forgetting governments and diplomats for the moment, let's look at more immutable facts of history and geography.

There is the fact, for example, that never, in the past, has there been any place on the globe where the vital interests of the American and Russian people have clashed or even been antagonistic—and there is no objective reason to suppose that there should, now or in the future, ever be such a place. There is an obvious reason for this. We are both continental peoples with adequate living space—interested in developing and enjoying the living space we have. Our ambition is to achieve the highest possible standards of living among our own peoples, and we have the wherewithal to achieve high standards of living without conquest, through peaceful development and trade.

We have that opportunity, moreover, only to the extent that we can create conditions of peace and prevent war. Thus the paramount interest, the only conceivable hope of both nations, lies in the cooperative enterprise of peace.

What, then, are the difficulties which lie across the path of this cooperative enterprise?

I believe the problem is capable of rational examination. I believe also that it is capable of solution. The hard core of the problem has two major aspects: first, the problem of security; and, second, the problem of understanding.

Both countries have been wantonly attacked. Both have suffered grievously, but differently. Both are determined that aggression shall have no such opportunity in the future.

The attack upon the Soviet Union came from just beyond her western borders. There was grave danger of attack from just beyond her eastern border. We can get some idea of the consequences of this attack—the second of its kind in a quarter of a century—if we imagine the United States

invaded by the German Wehrmacht, and an area roughly comparable to the New England and Middle Atlantic States almost completely devastated. If we imagine this area as including not only the industrial centers of New York, Boston, and Pittsburgh but a large part of the Middle Western bread basket and a third of our population as well, we can learn what aggression means to the Soviet people. We can understand also the measure of their determination to prevent it.

We understand and agree with them that to have friendly governments along her borders is essential both for the security of the Soviet Union and for the peace of the world. Secretary Byrnes made this clear beyond doubt in his speech of October thirty-first.

But it seems equally clear to us that the interest in security must take into account and respect other basic interests of nations and men, such as the interest of other peoples to choose the general surroundings of their own lives and of all men to be secure in their persons. We believe that that adjustment of interests should take place short of the point where persuasion and firmness become coercion, where a knock on the door at night strikes terror into men and women.

In this area where the room for adjustment is broad and where the necessity for extreme measures is absent, the problem seems wholly possible of friendly solution.

We, too, have our problem of security. The attack upon us came not from close at hand but from an aggressor, on two occasions, many thousands of miles away. The attacks were made upon a nation patently undesirous of and unprepared for war and solely because of our refusal supinely to acquiesce in conduct which outraged every sense of decency and right. This has led us to look for security through bases and methods which will keep danger far from us and stop the aggressor before he can again develop the power of his attack.

Our friends do not object to this but point out to us that we, too, must adjust our interest in security to the general interest in security and with the principles and organizations which have been agreed upon to insure it.

In the case of both the Soviet Union and ourselves the necessity to seek security by extreme measures or unilateral action is absent. Mr. Molotov has truly said:

"We have lived through difficult years and now each one of us can say: 'We have won and from now on we can consider our motherland rid from the menace of German invasion from the west and from the menace of Japanese invasion from the east.' The long awaited peace has come for the peoples of the whole world."

With the menaces to the security of both countries removed it would seem that there is both time and area within which to solve all questions arising out of the need of our two countries for security. The path to solution is both through the United Nations Organization, which we have joined in establishing, and in following in our dealings with other nations the principles upon which we have agreed in the Charter.

One of these is "To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples". Another is "to take . . . *collective* measures for the prevention and removal of threats to the peace".

These are principles of restraint and moderation and patience and respect for the dignity and integrity of nations and individuals. They furnish the best and surest foundations of friendship.

Then there is the second aspect of our problem of friendship—the second essential ingredient of friendship. I refer to the necessity for understanding and communication between the American and Soviet people.

Enduring friendship must be based on understanding and trust, not only between governments but between peoples. But we are faced with an immediate and practical question: How are we to know one another? Here are two peoples of strong convictions and different backgrounds. Each is committed to its way of life. Neither has the least desire to change the other. Yet each has an overwhelming desire to know and understand the other.

I confess I see no way to draw our peoples into closer understanding except by persistent efforts, on both sides, to free the lines of communication through the press and the radio, through books and magazines, through the exchange of knowledge and culture, and through travel and personal acquaintance. What we and the Soviet people need from each other and what we are entitled to ask was summed up by Marshal Stalin in a talk with Senator Pepper. "Just judge the Soviet Union objectively", said Marshal Stalin. "Do not

either praise us or scold us. Just know us and judge us as we are, and base your estimate of us upon facts and not rumors."

We have so much to learn and, what is more difficult, to understand about each other that we cannot hope to succeed except in the spacious atmosphere of honesty, candor, and knowledge. Only in that atmosphere can we keep our minds and emotions on an even keel and avoid the pitfalls of over-optimism on the one side and despair on the other. Both are equally dangerous and equally unjustified.

Protocol to Armistice Agreement with Finland

Canada, the United Kingdom, and the Soviet Union

The Department has recently received from the American Embassy at Ottawa a copy of the text of a protocol between Canada, the United Kingdom, and the U.S.S.R. (Canada, Treaty Series, 1944, No. 29) to the armistice agreement signed by the United Kingdom and the U.S.S.R. with Finland on September 19, 1944.¹ The protocol, which was signed in Moscow on October 8, 1944, provides for the payment of a compensation to Canada for nickel mines at Petsamo. The protocol states that on the occasion of the signing of the armistice agreement with Finland, the three Governments are agreed that:

"In connection with the return by Finland to the Soviet Union of the former Soviet territory of the oblast of Petsamo (Pechenga) and the consequent transfer to ownership of the Soviet Union of nickel mines (including all property and installations appertaining thereto) operated in the said territory for the benefit of the Mond Nickel Company and the International Nickel Company of Canada, the Soviet Government will pay to the Government of Canada during the course of six years from the date of the signing of the present Protocol, in equal instalments, the sum of 20 million United States dollars as full and final compensation of the above mentioned companies. For the purpose of this payment United States dollars will be reckoned at the value of 35 dollars to one ounce of gold."

¹ BULLETIN of Feb. 18, 1945, p. 261.

Situation of Jews in Europe

Statement by THE PRESIDENT

[Released to the press by the White House November 13]

Following the receipt of information from various sources regarding the distressing situation of the Jewish victims of Nazi and Fascist persecution in Europe, I wrote to Mr. Attlee on August 31 bringing to his attention the suggestion in a report of Mr. Earl G. Harrison that the granting of an additional 100,000 certificates for the immigration of Jews into Palestine would alleviate the situation. A copy of my letter to Mr. Attlee is being made available to the press. I continue to adhere to the views expressed in that letter.

I was advised by the British Government that because of conditions in Palestine it was not in a position to adopt the policy recommended, but that it was deeply concerned with the situation of the Jews in Europe. During the course of subsequent discussions between the two Governments, it suggested the establishment of a joint Anglo-American Committee of Enquiry, under a rotating chairmanship, to examine the whole question and to make a further review of the Palestine problem in the light of that examination and other relevant considerations.

In view of our intense interest in this matter and of our belief that such a committee will be of aid in finding a solution which will be both humane and just, we have acceded to the British suggestion.

The terms of reference of this committee as agreed upon between the two Governments are as follows:

1. To examine political, economic, and social conditions in Palestine as they bear upon the problem of Jewish immigration and settlement therein and the well-being of the peoples now living therein.

2. To examine the position of the Jews in those countries in Europe where they have been the victims of Nazi and Fascist persecution, and the practical measures taken or contemplated to be taken in those countries to enable them to live free from discrimination and oppression and to make estimates of those who wish or will be impelled by

their conditions to migrate to Palestine or other countries outside Europe.

3. To hear the views of competent witnesses and to consult representative Arabs and Jews on the problems of Palestine as such problems are affected by conditions subject to examination under paragraphs 1 and 2 above and by other relevant facts and circumstances, and to make recommendations to His Majesty's Government and the Government of the United States for *ad-interim* handling of these problems as well as for their permanent solution.

4. To make such other recommendations to His Majesty's Government and the Government of the United States as may be necessary to meet the immediate needs arising from conditions subject to examination under paragraph 2 above, by remedial action in the European countries in question or by the provision of facilities for emigration to and settlement in countries outside Europe.

It will be observed that among the important duties of this committee will be the task of examining conditions in Palestine as they bear upon the problem of Jewish immigration. The establishment of this committee will make possible a prompt review of the unfortunate plight of the Jews in those countries in Europe where they have been subjected to persecution, and a prompt examination of questions related to the rate of current immigration into Palestine and the absorptive capacity of the country.

The situation faced by displaced Jews in Europe during the coming winter allows no delay in this matter. I hope the committee will be able to accomplish its important task with the greatest speed.

The text of the letter addressed to the Prime Minister of Great Britain by the President, under date of August 31, 1945, follows:

MY DEAR MR. PRIME MINISTER:

Because of the natural interest of this Government in the present condition and future fate of

those displaced persons in Germany who may prove to be stateless or non-repatriable, we recently sent Mr. Earl G. Harrison to inquire into the situation.

Mr. Harrison was formerly the United States Commissioner of Immigration and Naturalization, and is now the Representative of this Government on the Intergovernmental Committee on Refugees. The United Kingdom and the United States, as you know, have taken an active interest in the work of this Committee.

Instructions were given to Mr. Harrison to inquire particularly into the problems and needs of the Jewish refugees among the displaced persons.

Mr. Harrison visited not only the American zone in Germany, but spent some time also in the British zone where he was extended every courtesy by the 21st Army Headquarters.

I have now received his report.¹ In view of our conversations at Potsdam I am sure that you will find certain portions of the report interesting. I am, therefore, sending you a copy.

I should like to call your attention to the conclusions and recommendations appearing on page 8 and the following pages—especially the references to Palestine. It appears that the available certificates for immigration to Palestine will be exhausted in the near future. It is suggested that the granting of an additional one hundred thousand of such certificates would contribute greatly to a sound solution for the future of Jews still in Germany and Austria, and for other Jewish refugees who do not wish to remain where they are or who for understandable reasons do not desire to return to their countries of origin.

On the basis of this and other information which has come to me I concur in the belief that no other single matter is so important for those who have known the horrors of concentration camps for over a decade as is the future of immigration possibilities into Palestine. The number of such persons who wish immigration to Palestine or who would qualify for admission there is, unfortunately, no longer as large as it was before the Nazis began their extermination program. As I said to you in Potsdam, the American people, as a whole, firmly believe that immigration into Palestine

should not be closed and that a reasonable number of Europe's persecuted Jews should, in accordance with their wishes, be permitted to resettle there.

I know you are in agreement on the proposition that future peace in Europe depends in large measure upon our finding sound solutions of problems confronting the displaced and formerly persecuted groups of people. No claim is more meritorious than that of the groups who for so many years have known persecution and enslavement.

The main solution appears to lie in the quick evacuation of as many as possible of the non-repatriable Jews, who wish it, to Palestine. If it is to be effective, such action should not be long delayed.

Very sincerely yours,

HARRY S. TRUMAN

Bulgarian Elections

COMMUNICATION FROM U.S. POLITICAL REPRESENTATIVE

[Released to the press November 16]

The United States Political Representative in Bulgaria, Maynard Barnes, has transmitted the following communication to the Bulgarian Government:

As the Bulgarian Government is aware the United States Government desires to conclude a treaty of peace with Bulgaria with the least possible delay and with that end in view has hoped to be able to recognize and establish diplomatic relations with an appropriate provisional Bulgarian Government at an early date. It is essential that such a Bulgarian Government be adequately representative of the important elements of democratic opinion and that arrangement be made for free elections in which all democratic elements of the country may effectively participate, free from the fear of force and intimidation, in order that the will of the majority of the people can be determined and the pledge given to them at Yalta be fulfilled.

The announced object of the recent visit of Mr. Mark Ethridge, the special representative of the Secretary of State, was in fact to investigate this situation. Mr. Ethridge's findings have been made known to the Bulgarian Government as well as to the signatories of the Yalta agreement.

Since the postponement of the elections origi-

¹ For text of Mr. Harrison's report to the President, see BULLETIN of Sept. 30, 1945, p. 456.

nally scheduled for August 26, 1945, an opportunity has been given for freer political expression. However, no steps have been taken since August to reorganize the present Bulgarian Government to make it truly representative of democratic opinion. From the elections now scheduled for November 18, 1945, important democratic elements are excluded through the operation of a single list of candidates. Moreover, there are indications that the free expression of popular will is being further restricted by threats of coercion and later reprisals. There is no reason to believe the results of an election conducted under such conditions will reflect the Bulgarian peoples' choice of a representative democratic Government.

Greek Elections

PROVIDING FOR THE REPRESENTATION OF THE UNITED STATES IN THE OBSERVATION OF ELECTIONS IN GREECE¹

[Released to the press by the White House November 17]

By virtue of the authority vested in me by the Constitution and the Statutes, and as President and as Commander in Chief of the Army and Navy of the United States, it is hereby ordered as follows:

1. In accordance with the responsibilities undertaken by the United States at the Crimea Conference in February 1945 to assist the people in any European liberated state in securing the earliest possible establishment through free elections of governments responsive to the will of the people, and in response to the invitation extended to the United States and other Allied Governments by the Government of Greece, I appoint Henry F. Grady of California, effective as of October 25, 1945, as my representative to head the United States group which will participate with representatives of other Allied Governments in observing the forthcoming elections in Greece.

2. The Representative named herein is authorized to select and recommend to the President or to the Secretary of State or the Secretary of War necessary personnel to assist in the performance of his duties hereunder. The Secretary of State and

the Secretary of War are authorized to assist the Representative named herein in the performance of his duties hereunder, and to employ such personnel and make such expenditures, within the limits of appropriate appropriations now or hereafter available for the purpose, as may be necessary to accomplish the purposes of this order, and the Secretary of War may make available, assign, or detail for duty with the Representative named herein such members of the military forces, not exceeding five hundred in number, and other personnel as may be requested for such purposes.

3. The Representative named herein shall have the personal rank of Ambassador and shall receive such compensation and allowance for expenses as may be authorized by the Secretary of State. Other necessary personnel employed to assist the Representative named herein in the performance of his duties shall likewise receive such compensation and allowance for expenses as may appropriately be authorized by the Secretary of State or the Secretary of War: *Provided, however,* That any personnel now in the employ of the Government shall serve without additional compensation but shall receive such allowance for expenses as may be authorized by the Secretary of State or the Secretary of War.

4. The Representative named herein is authorized to cooperate with, and receive the assistance of, any foreign Government to the extent deemed necessary by him to accomplish the purposes of this order.

HARRY S. TRUMAN

THE WHITE HOUSE,

November 16, 1945.

Inter-American Emergency Advisory Committee for Political Defense

APPOINTMENT OF PIERRE DE L. BOAL AS U.S. MEMBER

[Released to the press November 13]

The President has approved the appointment of Pierre de L. Boal as the member designated by the United States on the inter-American Emergency Advisory Committee for Political Defense at Montevideo, Uruguay.²

¹ Ex. Or. 9657, 10 *Federal Register* 14243.

² For a discussion of the Committee, its establishment and organization, see BULLETIN of Jan. 7, 1945, p. 3.

Foreign-Trade Reconstruction— *The Americas*

Address by ASSISTANT SECRETARY BRADEN¹

[Released to the press November 14]

To address this thirty-second Foreign Trade Convention on some aspects of our economic relations with the other American republics is a privilege for which I am grateful. With such an informed and discerning audience it is unnecessary to go into details; therefore, in the limited time at my disposal I shall only touch upon a few of the more salient features of the subject.

Two weeks ago Secretary Byrnes, under this same roof, said: "We have learned by experience that to have good neighbors we must be a good neighbor."

We intend to follow that basic principle in the reconstruction period and thereafter, just as devotedly as we have during the war and in the preceding years. The American republics, with the notorious exception of one government, on balance have a splendid record of economic cooperation. They have been good neighbors.

The resources of the United States were inadequate to meet the insatiable demands of modern warfare. We needed many things—tin, rubber, petroleum, antimony, copper, food—and some of them we needed desperately.

To meet these deficiencies we turned to our southern neighbors. Because they had confidence in us and because from the very beginning we gave their civilian needs the same treatment as our own, they, for the most part, responded in a fine cooperative spirit. Thus Assistant Secretary Clayton at the Mexico City conference testified to the fact that the procurement contracts with the other American governments "were made without undue bargaining . . . [and] were on the whole performed with complete honesty and integrity; . . . the prices were fair", and "every effort was made to extend production".²

It is essential that our neighbors and we continue to solve our problems through consultation in an atmosphere of mutual respect and collaboration. There can be no dictation by either party

to the other. When differences arise, as they surely will, they must be settled by straight-forward negotiations, by compromise, by arbitration, and always with that friendly understanding which enables one to see the other's point of view.

In the reconstruction era that unanimity of purpose which prevails in wartime will be lacking, selfish interests will more readily come to the fore, and accommodations will be more difficult, as tempers already fatigued by war strains become increasingly harassed by the manifold and complicated problems which lie ahead for all.

The stern necessities of war have left to every country in this hemisphere a legacy of serious economic problems. Among these are the menace of inflation and exaggerated nationalisms, both of which are presently threatening on every side.

The United States has assumed a national debt of unprecedented and unparalleled size; we have dangerously accelerated the depletion of our strategic natural resources to a point where in some cases we are approaching the status of a "have not" nation; and we have distorted the shape of our economy by our all-out mobilization for war.

The gravity of our own economic position, however, must not blind us to the problems of our neighbors. Preoccupied as we are with the urgent tasks of creating a stable peacetime economy in the United States, we must not neglect those serious transitional problems which involve the economic relations of the American republics with one another.

Our war procurement of raw materials from the neighboring republics in some instances caused a great expansion in production facilities. The abrupt cancellation of our purchase contracts inevitably would cause wide-spread unemployment and economic distress. Yet we could not afford to continue to buy largely in excess of our needs.

This problem was recognized in resolution XXI at the Mexico City conference, which records general agreement with our view that international trade in these basic products and strategic materials should be returned to normal commercial channels so soon as possible. At the same time

¹ Delivered before the National Foreign Trade Convention in New York, N.Y., on Nov. 14, 1945.

² BULLETIN of Mar. 4, 1945, p. 334.

that resolution provides that suitable steps shall be taken during the readjustment period to minimize the adverse consequences of "cut-backs" on the economies of the countries concerned.

We are now in process of reducing our public purchases from Latin America. As we do so, we are adhering to the letter and spirit of our undertakings at Mexico City. Some commodities, of course, are still in short supply, and procurement continues at a high level. In other cases, where commodities have come or are coming into relatively easy supply, we have tried, where necessary, to ease the readjustment problem for the supplying country by arranging a gradual tapering-off of our purchases. We shall continue to give advance notice of our intentions. We have tried, within the limits of existing legislation, to curtail procurement equitably as between domestic and foreign sources, for we believe that high-cost procurement, wherever it be, should be curtailed before low-cost procurement, whether domestic or foreign. Moreover we have arranged in some instances to pay on a sliding scale in the cut-back period, in order to reduce the transitional shock to the supplying country. And finally, we are ready always to discuss these cut-back problems with the vendor countries, and to seek earnestly for equitable and mutually agreeable solutions.

The other American republics are normally heavily dependent on imports for their supplies of many types of manufactured goods, especially capital equipment of all varieties. Unhappily, the goods needed by our neighbors for the repair, improvement, and expansion of their economies were precisely the types most essential for prosecution of the war. Consequently, they sold to us during the war much more than we were able to sell to them, and now possess a large supply of dollars which they are eager to spend on imports. In view of the continuing shortage in the United States of many types of producers' goods, some of the other American nations are apprehensive that they may be unable to purchase a fair share of our output.

Lest there be misunderstanding on this score, I wish to emphasize that the United States Government rejects the view that the industrialization and diversification of the Latin American economies are threats to the maintenance of our own export markets in that area. The ancient mercantilist fallacy that an industrial exporting nation

should strive to impede the industrialization of its overseas markets was ridiculed and exploded nearly 200 years ago by Adam Smith; but, like many mistaken theories, this one dies hard.

The measure in which a customer nation may, through industrialization, increase its purchases is exemplified by the economic history of the United States. The early stages of our industrial development were largely financed by our foreign investors. There were those in England and elsewhere who warned against the export of capital to the United States, alleging that this profitable market for their manufactures would thereby be destroyed. Those were indeed false prophets; in the seventy years following the middle of the nineteenth century, our imports of finished manufactures increased six-fold.

Moreover, the industrialization of the United States so expanded our national income that large capital reserves accumulated domestically. In this way we were enabled not only to finance our further expansion but also to buy out much of the foreign holdings in the United States, thus without the slightest irritation accomplishing the repatriation of foreign investments on mutually beneficial terms.

Self-evidently, countries with low productivity have low living standards; life among the masses is a bitter struggle for rudimentary needs, and so the market for imports is narrow and limited. This axiom is witnessed in the significant fact that we normally export more goods to Canada, an industrialized nation, than to the whole of South America, although the latter has nearly ten times the population of the former.

Therefore, as a matter of ethics, as good neighbors and in order to increase our exports we are heartily in accord with the aspirations of our friends in this hemisphere for higher national productivity based on economic development and diversification. The people of the United States stand ready, as we have in the past, to assist to the extent we appropriately can in the formulation and execution of plans for the economically sound development of projects in the other American republics. I should be less than candid, however, if I failed to make clear that all of us should shun those plans for industrial development designed not to promote increased productivity and higher real national income but to serve the purposes of autarchy, neurotic nationalism, and military adventure. The pseudo-economic develop-

ment of the latter types would be wholly incompatible with the ideals of the inter-American system, and we should deplore the emergence of such policies.

Also it must be recognized that the sound industrialization of a country can by all odds be carried out more effectively under the dynamic system of private and, where possible, competitive enterprise, to which we are dedicated, than it ever can by government. Just as the United States and European capital both greatly benefited from the latter's investments here, so less developed nations who desire to advance the rate of their economic growth may profit by encouraging the entry of capital from abroad. It is perhaps pertinent to add that the huge burden of our public debt and the resultant taxes will bear heavily on the ability of the United States Government to extend itself financially in developing enterprises of this nature. This opportunity—I might even say responsibility—will perforce in large measure fall to the private investor.

The foreign investor has both rights and obligations. He reasonably expects that the former will be honored and that he will not be subjected to arbitrary and discriminatory acts. Money is a most timid thing and will venture only where there is stability and where commitments are being met. On the other hand, it is the obligation of the foreign investor and businessman rigidly to obey the laws of the country to which he goes, so to comport himself as always to create respect for his native land and never remotely to interfere in the internal political affairs of his hosts. Political meddling by foreign businessmen, or by anyone else, is both reprehensible and dangerous. Admittedly, unethical conduct on the part of a few of our businessmen has occurred in Latin America. But I am proud to say it has been by a small minority. The great majority of our merchants, bankers, and industrialists are of the highest integrity and will have no more truck with the other type than will our diplomatic missions. It is almost superfluous to add that the United States Government will not condone foreign political meddling by its nationals.

The industrialization programs of the other American republics must be considered from both a short- and a long-range point of view. In the present period, during which the demand for our output of producers' goods exceeds the supply, we are giving close and sympathetic attention to the

needs of our American neighbors. Many United States manufacturers of producers' goods, eager to reestablish their export trade, are voluntarily allocating a portion of their output to meet foreign demands. In cases of unusual urgency, we still possess the authority to give limited priority assistance to the orders of foreign buyers in certain cases. Moreover, we are anxious to bring Latin American buyers into contact with our manufacturers and, where necessary, to request our factories to allocate a portion of their output for export.

With these transitional problems solved, our neighbors and we shall then be face to face with working out the longer run economic relations of the Americas with each other and with the world. We shall be too late, however, if we wait to face their problems until they are upon us. Decisions are being made today and every day which will determine our economic relations tomorrow. As we make these decisions, all of the American nations should have clearly in mind the kind of economic system which will best serve our common ends.

We believe that the best suited system of economic relationships is the one most conducive to the preservation of peace and international understanding, and which is most effective in promoting higher living standards and increased prosperity here and throughout the Americas. The two, of course, are interdependent. Rising standards of living are a powerful bulwark to the institutions of freedom and popular government, and these institutions, as we now know too well, are stones in the arch of peace. The tyrant must first place his own people in chains before he is ready to leap at the throat of a neighbor.

With these ultimate objectives in mind, it is immediately clear that neither our neighbors nor we seek to establish a Western Hemisphere economic bloc. The American nations could, perhaps, organize an exclusive system of hemispheric trading arrangements, under which commerce between the Americas and the rest of the world would be discouraged or prevented.

What would that avail us? It would sanction the formation of other exclusive economic blocs. Economic blocs of this kind must inevitably become political blocs, the emergence of which would be an ominous warning that the peace of the world was in jeopardy.

Moreover, an exclusively hemispheric trading

system, far from promoting the economic well-being of the American republics, would undermine it. The United States, which normally takes about 30 percent of the Latin American export trade, would have to absorb nearly all of it. This is a manifest impossibility; either the United States market would be glutted with unwanted surpluses, or the other republics would suffer severely from the loss of their normal export markets. A protracted and painful period of readjustment would ensue, during which each of the American republics would have to transfer its productive energies from lines in which it was most efficient to others in which it would be less so. Productivity and standards of living would inevitably decline. These consequences would weaken, and eventually scuttle, the inter-American system.

The sole sane alternative to a hemispheric system of discrimination and restriction is an international system of equal treatment and expansion. It is only in a world economy constructed along these lines that each nation, in the Americas and elsewhere, can realize the highest potential of its productive powers; nor is there any other basic pattern for world economic organization which produces fewer of the economic practices which engender international friction and hostility.

The achievement of these goals demands, on the part of all like-minded nations, a concerted effort to eliminate every form of economic discrimination, including preferences, multi-column tariffs, and discriminatory exchange and quota practices; to reduce substantially the tariff barriers which have throttled the trade of the world; to put an end to the restrictive practices of international cartels; to adopt a code of principles to govern the use of subsidies, commodity agreements, and other such devices; and to proscribe the use of tactics of economic aggression.

It is fitting to consider this ideal of world economic organization against the background of the interests and aspirations of the other republics of this hemisphere.

Until the economic cataclysms of the early 1930's, there were few areas in the world which adhered more closely than Latin America to the basic principles of the liberal international trading system. The other American republics found, in the first three decades of this century, that their economic interests were best served by a high degree of integration with the world economy, by

the avoidance of discrimination and of other trade barriers. These principles remain as valid for Latin America today as they were in the 1920's, since the prosperity of many of the other American republics is almost directly determined by the level and composition of their foreign trade.

The Latin American countries were forced to deviate from these principles, not by any fundamental change in their interests but because they were driven in desperation to seek to isolate themselves from the economic disaster which swept across the world in the early 1930's. The prices of the goods exported by the other American nations fell far more than the prices of the goods they imported; their export markets disappeared; the stability of their currencies was threatened; tariffs were raised against them; European nations adopted policies of discrimination and bilateralism.

Once the other American republics were driven to adopt defensive tactics, they logically had to learn and follow techniques of restrictionism and discrimination. Latin American trade soon became a jungle of rising and multi-column tariffs, of quotas and clearing agreements, of barter, exchange control, and multiple currency systems. The virus of economic nationalism soon spread to fields of activity only remotely related to the root cause of the trouble. Some countries, for example, severely restricted the freedom of foreign nationals to practice their trades and professions. In this respect, however, the United States is in no position to be critical, since many of our States enforce similar unwise and counter-productive restrictions.

We have no desire to engage in recriminations over the economic history of the 1930's; our own record, let it be remembered, was far from being free of blemishes. Our own Hawley-Smoot tariff was one of the first economic provocations. However, it is equally true that we were one of the first to see the error of our ways and to try to call a halt to the blind series of negative defensive measures, retaliations, and counter-retaliations. We may be proud that one of the few notes of sanity in that destructive decade was struck by our own reciprocal trade-agreements program, which embodied the wisdom and patience of that great statesman, Cordell Hull. But our trade-agreements program came too late, with Hitler already in power and world conflict already in the making, to do more than eliminate some of the more conspicuous economic excesses of that unhappy period.

It is to be hoped that we have learned a lesson and will put it into practice. We start today not with a clean slate but with a slate cleaner than it may be again for a very long time. The world, chastened and sobered by six years of total war, should be as ready now as it ever will be in our lifetimes to adopt fundamental remedies to the economic ills that beset us.

With these thoughts in mind, we have drawn up, in cooperation with our neighbors of this hemisphere and with the other members of the United Nations, a plan for the solution of the problems posed by the exchange restrictions and discriminations and the competitive currency devaluations of the 1930's. In the Bretton Woods plan for an International Monetary Fund, we have agreed upon a code of fair practices to govern the operation of the international exchanges, and we have established a fund to tide members over transitional difficulties and help make it possible for them to adhere to the code of rules. The International Bank, plans for which were also formulated at Bretton Woods, should assist in promoting loans to finance sound projects for reconstruction and economic development.

The Congress of the United States has already approved our participation in the Bretton Woods institutions. We should be disappointed to see the Fund and the Bank established without the participation from the very beginning of all of the eligible nations of this hemisphere.

We are looking forward to a United Nations conference on trade and employment in 1946—a conference which will, we hope, accomplish for the problems of world trade and employment what the Bretton Woods conference achieved for the problems of international financial and exchange relationships. It is our hope that the other American republics will join with us at that conference in the formulation of an economic treaty of peace which may break the shackles which now confine the trade of the world.

No area will benefit more than the Americas from the reconstruction of world trade along liberal, non-discriminatory lines; no peoples have a greater stake in the rehabilitation of the world economy than do the peoples of all the American republics.

We want to see the Americas, then, not as an economic bloc but as an integral part of an economic whole. We desire this because of, and not in spite of, our special security interests in the

Western Hemisphere; for we know of no way better to protect this hemisphere and ourselves than by helping to promote the prosperity, stability, and mutual trust and confidence of the Americas.

We ask no special rights or privileges from our neighbors, nor do we ask them to discriminate against non-American nations. We could not, of course, sit idly by while a non-American nation tried, as did the Nazis, to use its economic relations with the Americas as a cover for political intrigue and provocation; but we seek to bar from this hemisphere no nation which desires, in good faith, to engage in commerce with it.

The economic integration of the Americas with the rest of the world is not a development which we fear; on the contrary, we desire it, and we will gladly do our utmost to achieve it.

Either the exaggerated nationalisms, now so prevalent everywhere, must be completely extirpated from relations between peoples, or those nationalisms will prevent reconstruction, destroy trade and investment, lower living standards, and again imperil civilization.

To eliminate those nationalisms and substitute therefor constructive practical cooperation, as good neighbors, in benefit of all concerned is our firm purpose.

The countless obstacles including the grave threats of inflation which may appear to block the reconstruction of foreign trade in this hemisphere can be overcome—and with surprising rapidity—if each of the American governments together with our respective citizens will give honesty and thought, hard work and cooperation to the task. With these homely ingredients, the unbelievable in prosperity can be accomplished.

Fourth Inter-American Press Conference

[Released to the press November 16]

The Department of State has been informed by the American Embassy at Bogotá of the formation of an organizing committee for the Fourth Inter-American Press Conference, which is scheduled to convene at Bogotá in the early part of 1946. The communication from the Embassy states that if any members of the United States press desire to attend this Conference they should address their correspondence to the committee through the Colombian foreign office.

The Educational, Scientific and Cultural

THE CONFERENCE on the Educational, Scientific and Cultural Organization of the United Nations opened in London on November 1, 1945.

REPORT ON THE

The first session was called to order at 10:30 a. m. by Prof. Alf Sommerfeldt, Chairman of the Working Committee. A Credentials Committee was appointed which found the credentials of all delegates to be in good order. Rules of procedure were adopted.

It was decided that the meetings of the Conference, its commissions, and its committees shall be public unless the body concerned decides otherwise. Decisions of the Conference reached at a private meeting must be announced at an early public meeting of the Conference. At the suggestion of Mr. Archibald MacLeish, Chairman of the United States Delegation, this rule is interpreted as applying also to committees.

Miss Ellen Wilkinson, Minister of Education for England and Wales and British Delegate to the Conference, was elected President of the Conference on the motion of Mr. Leon Blum, seconded by Mr. MacLeish.

Mr. Leon Blum, former Premier of France and President of the French Delegation, was elected Associate President. The following were elected Vice Presidents: the chairmen of delegations from China, Colombia, Egypt, Greece, India, Mexico, Norway, Poland, Union of South Africa, United States of America.

The Conference was addressed by the Right Honorable Clement R. Attlee, Prime Minister of Great Britain, by Miss Wilkinson, and Mr. Blum.

It was agreed to establish five commissions.

A resolution was received from the Conference of Allied Ministers of Education urging acceleration of the work of educational and cultural reconstruction in the liberated countries.

A second resolution from the same body recommended that the plans for the Educational, Scientific and Cultural Organization provide for periodic meetings of the Ministers of Education of the United Nations. The resolution was referred to Commission II.

The first series of plenary sessions ended on November 5, 1945. By that time the delegates from all the countries represented had addressed the Conference. Throughout the week of November 5, 1945 the Conference worked in five commissions. Each commission consists of a delegate from each participating country who may be accompanied by advisers. Each commission considers an assigned topic; the assignments are as follows:

COMMISSION I. *Preamble, purposes and functions.* Officers of this Commission are: Chairman, Dr. R. C. Wallace, Canada; Vice Chairman, Dr. Bolkstein, Netherlands; United States Delegate, Archibald MacLeish; United States Advisers, Messrs. Leland, Meiklejohn, Schlagle, Miss Elliott; United States Technical Expert, Mr. Thomson.

COMMISSION II. *Membership and structure of the organization, including the general conference.* Officers of this Commission are: Chairman, Prof. Alf Sommerfeldt, Norway; Vice Chairman, Dr. E. R. Walker, Australia; United States Delegate, Mr. Stoddard; United States Advisers, Messrs. Emmerich, Kefauver, Starr; United States Technical Experts, Messrs. Benjamin, Biddle.

COMMISSION III. *The Executive Board and Secretariat.* Officers of this Commission are: Chairman, M. de Visscher, Belgium; Vice Chairman, Mr. A. E. Campbell, New Zealand; United States Delegates, Messrs. Merrow, Benton; United States Advisers, Messrs. Evans, Shuster; United States Technical Experts, Messrs. Kotschnig, Stone.

COMMISSION IV. *Relations with other international organizations and the location of the organization.* Officers of this Commission are: Chair-

¹ Prepared in London for the Division of Public Liaison by Herbert J. Abraham. Dr. Abraham is information and liaison officer in the Group Relations Branch in the Division of Public Liaison, Office of Public Affairs, Department of State.

Organization of the United Nations

LONDON CONFERENCE¹

man, Dr. Jean Opocensky, Czechoslovakia; Vice Chairman, Mr. Walker Linares, Chile; United States Delegate, Senator Murray; United States Advisers, Messrs. Emmerich, Leland, Gerig, Schlagle; United States Technical Experts, Mrs. Brunauer, Mr. Stone.

COMMISSION V. *The Interim Commission, which will make preparations for the first meeting of the organization.* Officers of this Commission are: Chairman, Lt. Col. L. Marquart, Union of South Africa; Vice Chairman, Mr. Hasan Ali Yucel, Turkey; United States Delegates, Dean Thompson, Mr. Shapley; United States Advisers, Messrs. Kefauver, Shuster, Crowley; United States Technical Expert, Mr. Holland.

Decisions made at the commissions are harmonized and given final formulation by the Drafting Committee. When the commissions have concluded their work the Conference will meet in plenary session to approve the constitution.²

All meetings of the commissions have been open to the public and to the press.

The commissions are moving rapidly. Present plans call for submission of commission reports by the night of Tuesday, November 13, 1945. Agreements have been reached on many questions. The name of the organization will be *The United Nations Educational, Scientific and Cultural Organization*. The organization will have three main organs: the Conference, the Executive Board, and the Secretariat.

Substantial agreement has been reached on the text for the preamble, purposes, and functions of the organization and it is now in the hands of a drafting subcommittee. The statement of functions will provide against interference by the organization in matters which are essentially within the domestic jurisdiction of any state. Commission II has decided that members of the United Nations shall automatically be granted the right of membership in UNESCO. Other nations may

be admitted subject to the conditions of the agreement to be negotiated with the United Nations Organization. The article on membership as approved omits any reference to withdrawal. The Commission decided that the provision on this subject contained in the draft proposals was unworkable and was also unnecessary since the right of withdrawal may be presumed. The Conference will consist of the representatives of the members of the organization. The government of each member state will appoint not more than five delegates, who are to be selected after consultation with educational and cultural bodies or a national commission.

Article VIII-A dealing with the composition of national commissions will read as follows subject to revision by the Drafting Committee:³

"Each member state shall make arrangements preferably by the formation of a national commission on educational, scientific and cultural cooperation, broadly representative of the government; and the principal groups devoted to educational, scientific and cultural matters for the purpose of associating bodies of educational, scientific and cultural opinion with the work of the organization."

The functions and powers of the Conference are those listed in the draft proposals plus explicit provision for international conventions. Each member will have one vote.

Commission III has decided that the Executive Board will consist of 18 members holding office for 3 years, 6 to be elected each year. They are to be selected from among the delegates to the Conference, and the tenure of office is contingent upon their continuing to be delegates. In electing the members of the Executive Board, the Conference must endeavor to assure an equitable distribution of persons competent in the arts, humanities, sciences, technology, education, and diffusion of

² For text of the draft constitution and an interpretation see BULLETIN of Aug. 5, 1945, p. 165.

³ For revised text see art. VII of the Final Act, p. 805.

ideas. Under these provisions qualified persons in these fields rather than representatives of states would compose the Executive Board.

The President of the Conference will be *ex officio* a member of the Executive Board with consultative functions only. The Commission has rejected proposals which tended to give the Chairman of the Board powers overlapping those of the Director General. The Board is not given the power to supervise the administration of the organization. The Director General will submit his annual report to the Board for comment and will transmit it directly to the Conference.

Paris has been selected as the seat of the organization. This question, although not provided for in the draft proposals, was placed on the agenda and has been a main subject of discussion.

Commission IV met for the first time Thursday, November 8, 1945. The following text for article XIV, paragraphs 1 and 2, submitted by the United States, was approved as clarified by the Drafting Committee:¹

"This organization may cooperate with other specialized intergovernmental organizations or agencies whose interests and activities are related to its purposes. To this end the Director General, acting under the general authority of the Executive Board, may establish effective working relationships with such other organizations and agencies and establish such joint committees as may be necessary to assure effective cooperation. Any formal arrangements entered into with such organizations and agencies shall be subject to the approval of the Executive Board."

A new article temporarily designated as "XIV-A" has been added as follows:²

"The United Nations Educational, Scientific and Cultural Organization may make suitable arrangements for consultation and cooperation with non-governmental international organizations concerned with matters within its competence and may invite them to undertake certain specific tasks. Such cooperation may also include appropriate participation by representatives of such organi-

zation on advisory committees set up by the conference."

An important issue has arisen in Commission V concerning the functions of the Interim Commission. There was strong pressure to authorize the Interim Commission to take action with respect to the educational rehabilitation of liberated countries. The formula finally agreed upon which constitutes paragraph 6 of the agreement on interim arrangements follows:

"The commission shall appoint a special technical subcommittee to examine the problems relating to the educational, scientific and cultural needs of the countries devastated by the war, having regard to the information already collected and the work being done by other international organizations, and to prepare as complete a conspectus as possible of the extent and nature of the problems for the information of the organization at its first conference.

"When the technical subcommittees are satisfied that any ameliorative measures are immediately practicable to meet any educational, scientific or cultural needs, they shall report to the Preparatory Commission accordingly and the Commission shall, if they approve, take steps to bring such needs to the attention of governments, organizations and persons wishing to assist by contributing money, supplies or services in order that coordinated relief may be given either directly by the donors to the countries requiring aid or indirectly through existing international relief organizations."

In addition to the questions of location and of educational rehabilitation, the question of relationship with other international organizations aroused much discussion. France has withdrawn her recommendation that the existing International Institute for Intellectual Cooperation constitute the Secretariat of the organization. France proposed that some international associations be given membership in the organization. Sentiment in the Conference, however, emphasized that UNESCO is an organization of governments, and this consideration has prevailed in a number of questions.

¹ See art. XI of the Final Act, p. 805.

² *Ibid.*

FINAL ACT OF THE UNITED NATIONS CONFERENCE FOR THE ESTABLISHMENT OF AN EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION¹

[Released to the press November 17]

The Conference for the Establishment of an Educational, Scientific and Cultural Organization of the United Nations was convened by the Government of the United Kingdom in association with the Government of France. The invitations were sent out in accordance with the recommendation of the Conference of San Francisco and upon the request of the Conference of the Allied Ministers of Education in order to promote the aims set out in Article 1, Paragraph 3, of the Charter of the United Nations. The Conference met in London from the 1st to the 16th of November, 1945.

The Governments of the following countries were represented at the Conference by Delegates and Advisors:

Argentine Republic	Liberia
Australia	Luxembourg
Belgium	Mexico
Bolivia	The Netherlands
Brazil	New Zealand
Canada	Nicaragua
Chile	Norway
China	Panama
Colombia	Peru
Cuba	The Philippines
Czechoslovakia	Poland
Denmark	Saudi Arabia
Dominican Republic	Syria
Ecuador	Turkey
El Salvador	Union of South Africa
Egypt	United Kingdom of Great
France	Britain and Northern
Greece	Ireland
Guatemala	United States of America
Haiti	Uruguay
India	Venezuela (represented
Iran	by an observer)
Iraq	Yugoslavia
Lebanon	

The following international organizations were also represented by observers:

International Labor Organization
League of Nations Secretariat
League of Nations Committee on Intellectual Cooperation
International Institute of Intellectual Cooperation
Pan American Union
United Nations Relief and Rehabilitation Administration
International Bureau of Education

The Conference had before it and adopted as its basis of discussion a draft Constitution prepared by the Conference of Allied Ministers of Education. It likewise had before it a draft Constitution prepared by the French Government. A number of proposals put forward by other governments and by various bodies and organizations were also before the Conference. After consideration of these drafts and proposals the Conference drew up a Constitution Establishing an Educational, Scientific and Cultural Organization and an Instrument Establishing a Preparatory Educational, Scientific and Cultural Commission. The Conference also adopted the following Resolution:

"The seat of the United Nations Educational, Scientific and Cultural Organization shall be in Paris. This Resolution shall not in any way affect the right of the General Conference to take decisions in regard to this matter by a two-thirds majority."

In faith whereof the undersigned have signed this Final Act.² Done in London the sixteenth day of November 1945 in a single copy in the English and French languages, both texts being equally authentic. This copy shall be deposited in the Archives of the Government of the United Kingdom by whom certified copies will be sent to all the United Nations.

¹ Telegraphic text, incorporating substantive changes received at a later date.

² Signatures not transmitted with telegraphic text.

CONSTITUTION OF THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION

PREAMBLE

The Governments of the States parties to this Constitution on behalf of their peoples declare

that since wars begin in the minds of men it is in the minds of men that the defenses of peace must be constructed; that ignorance of each other's ways and lives has been a common cause throughout the history of mankind of that suspicion and mistrust between the peoples of the world through which their differences have all too often broken into war; that the great and terrible war which has now ended was a war made possible by the denial of the democratic principles of the dignity, equality and mutual respect of men and by the propagation in their place through ignorance and prejudice of the doctrine of the inequality of men and races; that the wide diffusion of culture and the education of humanity for justice and liberty and peace are indispensable to the dignity of man and constitute a sacred duty which all the nations must fulfill in a spirit of mutual assistance and concern; that a peace based exclusively upon the political and economic arrangements of Governments would not be a peace which could secure the unanimous, lasting and sincere support of the peoples of the world and that the peace must, therefore, be founded, if it is not to fail, upon the intellectual and moral solidarity of mankind. *For these reasons* the States parties to this Constitution, believing in full and equal opportunities for education for all in the unrestricted pursuit of objective truth and in the free exchange of ideas and knowledge, are agreed and determined to develop and to increase the means of communication between their peoples and to employ these means for the purposes of mutual understanding and a truer and more perfect knowledge of each other's lives; *In consequence whereof* they do hereby create the United Nations Educational, Scientific and Cultural Organization for the purpose of advancing through the educational and scientific and cultural relations of the peoples of the world the objectives of international peace and of the common welfare of mankind for which the United Nations Organization was established and which its Charter proclaims.

ARTICLE I

Purposes and Functions

1. The purpose of the Organization is to contribute to peace and security by promoting collaboration among the nations through education, science and culture in order to further universal respect for justice, for the rule of law and for the human rights and fundamental freedoms which are affirmed for the peoples of the world without distinction of race, sex, language or religion by the Charter of the United Nations.

2. To realize this purpose the organization will

(a) Collaborate in the work of advancing the mutual knowledge and understanding of peoples through all means of mass communication and to that end recommend such international agreements as may be necessary to promote the free flow of ideas by word and image.

(b) Give fresh impulse to popular education and to the spread of culture by collaborating with members at their request in the development of educational activities, by instituting collaboration among the nations to advance the ideal of equality of educational opportunity without regard to race, sex or any distinctions economic or social by suggesting educational methods best suited to prepare the children of the world for the responsibilities of freedom.

(c) Maintain, increase and diffuse knowledge by assuring the conservation and protection of the world's inheritance of books, works of art and monuments of history and science, and recommending to the nations concerned the necessary international conventions; by encouraging cooperation among the nations in all branches of intellectual activity, including the international exchange of persons active in the fields of education, science and culture and the exchange of publications, objects of artistic and scientific interest and other materials of information; by initiating methods of international cooperation calculated to give the people of all countries access to the printed and published materials produced by any of them.

3. With a view to preserving the independence, integrity and fruitful diversity of the cultures and educational systems of the States members of this Organization, the Organization is prohibited from intervening in matters which are essentially within their domestic jurisdiction.

ARTICLE II

Membership

1. Membership of the United Nations Organization shall carry with it the right to membership of the United Nations Educational, Scientific and Cultural Organization.

2. Subject to the conditions of the agreement between this Organization and the United Nations Organization, approved pursuant to Article X of this Constitution, States not members of the United Nations Organization may be admitted to membership of the Organization upon recommendation of the Executive Board by a two-thirds majority vote of the General Conference.

3. Members of the Organization which are suspended from the exercise of the rights and privileges of membership of the United Nations Organization shall, upon the request of the latter, be suspended from the rights and privileges of this Organization.

4. Members of the Organization which are expelled from the United Nations Organization shall automatically cease to be members of this Organization.

ARTICLE III

Organs

The Organization shall include a General Conference, an Executive Board and a Secretariat.

ARTICLE IV

The General Conference

A. COMPOSITION

1. The General Conference shall consist of the representatives of the States members of the Organization. The Government of each Member State shall appoint not more than five delegates who shall be selected after consultation with the National Commission if established, or with educational, scientific and cultural bodies.

B. FUNCTIONS

2. The General Conference shall determine the policies and the main lines of work of the Organization. It shall take decisions on programs drawn up by the Executive Board.

3. The General Conference shall when it deems it desirable, summon international conferences on education, the sciences and humanities and the dissemination of knowledge.

4. The General Conference shall in adopting proposals for submission to the Member States, distinguish between recommendations and international conventions submitted for their approval. In the former case a majority vote shall suffice, in the latter case a two-thirds majority shall be required. Each of the Member States shall submit recommendations or conventions to its competent authorities within a period of one year from the close of the session of the General Conference at which they were adopted.

5. The General Conference shall advise the United Nations Organization on the educational, scientific and cultural aspects of matters of concern to the latter in accordance with the terms and procedure agreed upon between the appropriate authorities of the two organizations.

6. The General Conference shall receive and consider the reports submitted periodically by Member States as provided by Article VIII.

7. The General Conference shall elect the members of the Executive Board and on the recommendation of the Board shall appoint the Director-General.

C. VOTING

8. Each Member State shall have one vote in the General Conference. Decisions shall be made by a simple majority, except in cases in which a two-thirds majority is required by the provisions of this constitution. A majority shall be a majority of the members present and voting.

D. PROCEDURE

9. The General Conference shall meet annually in ordinary session. It may meet in extraordinary session on the call of the Executive Board. At each session the location of its next session shall be designated by the General Conference and shall vary from year to year.

10. The General Conference shall at each session elect a President and other officers and adopt Rules of Procedure.

11. The General Conference shall set up special and technical committees and such other subordinate bodies as may be necessary for its purposes.

12. The General Conference shall cause arrangements to be made for public access to meetings subject to such regulations as it shall prescribe.

E. OBSERVERS

13. The General Conference on the recommendation of the Executive Board and by a two-

thirds majority may subject to its rules of procedure invite as observers at specified sessions of the conference or of its commissions representatives of international organizations such as those referred to in Article XI, Paragraph 4.

ARTICLE V

Executive Board

A. COMPOSITION

1. The Executive Board shall consist of eighteen members elected by the General Conference from among the Delegates appointed by the Member States together with the President of the Conference who shall sit *ex officio* in an advisory capacity.

2. In electing the members of the Executive Board the General Conference shall endeavor to include persons competent in the arts, the humanities, the sciences, education and the diffusion of ideas and qualified by their experiences and capacity to fulfill the administrative and executive duties of the Board. It shall also have regard to the diversity of cultures and a balanced geographical distribution. Not more than one national of any Member State shall serve on the Board at any one time, the President of the Conference excepted.

3. The elected members of the Executive Board shall serve for a term of three years and shall be immediately eligible for a second term but shall not serve consecutively for more than two terms. At the first election eighteen members shall be elected of whom one-third shall retire at the end of the first year and one-third at the end of the second year, the order of retirement being determined immediately after the election by the drawing of lots. Thereafter six members shall be elected each year.

4. In the event of the death or resignation of one of its members the Executive Board shall appoint from among the Delegates of the Member State concerned a substitute who shall serve until the next session of the General Conference which shall elect a member for the remainder of the term.

B. FUNCTIONS

5. The Executive Board, acting under the authority of the General Conference, shall be responsible for the execution of the program adopted by the Conference and shall prepare its agenda and program of work.

6. The Executive Board shall recommend to the General Conference the admission of new Members to the Organization.

7. Subject to decisions of the General Conference the Executive Board shall adopt its own Rules of Procedure. It shall elect its officers from among its Members.

8. The Executive Board shall meet in regular session at least twice a year and may meet in special session if convoked by the Chairman on his own initiative or upon the request of six Members of the Board.

9. The Chairman of the Executive Board shall present to the General Conference with or without comment the annual report of the Director-General on the activities of the Organization which shall have been previously submitted to the Board.

10. The Executive Board shall make all necessary arrangements to consult the representatives of international organizations or qualified persons concerned with questions within its competence.

11. The Members of the Executive Board shall exercise the powers delegated to them by the General Conference on behalf of the Conference as a whole and not as representatives of their respective governments.

ARTICLE VI

Secretariat

1. The Secretariat shall consist of a Director-General and such staff as may be required.

2. The Director-General shall be nominated by the Executive Board and appointed by the General Conference for a period of six years under such conditions as the conference may approve and shall be eligible for reappointment. He shall be the chief administrative officer of the organization.

3. The Director-General or a deputy designated by him shall participate without the right to vote in all meetings of the General Conference, of the Executive Board and of the Committees of the Organization. He shall formulate proposals for appropriate action by the Conference and the Board.

4. The Director-General shall appoint the Staff of the Secretariat in accordance with staff regulations to be approved by the General Conference. Subject to the paramount consideration of securing the highest standards of integrity, efficiency and technical competence appointment to the staff shall be on as wide a geographical basis as possible.

5. The responsibilities of the Director-General and of the Staff shall be exclusively international in character. In the discharge of their duties they shall not seek or receive instructions from any Government or from any authority external to the Organization. They shall refrain from any action which might prejudice their position as international officials. Each State Member of the Organization undertakes to respect the international character of the responsibilities of the Director-General and the Staff and not to seek to influence them in the discharge of their duties.

6. Nothing in this Article shall preclude the Organization from entering into special arrangements within the United Nations Organization for common services and Staff and for the interchange of personnel.

ARTICLE VII

National Cooperating Bodies

1. Each Member State shall make such arrangements as suit its particular conditions for the purpose of associating its principal bodies interested in educational, scientific and cultural matters with the work of Organization, preferably by the formation of a National Commission broadly representative of the Government and such bodies.

2. National Commissions or national cooperating bodies where they exist, shall act in an advisory capacity to their respective Delegations to the General Conference and to their Governments in matters relating to the Organization and shall function as agencies of liaison in all matters of interest to it.

3. The Organization may on the request of a Member State delegate either temporarily or permanently a Member of its Secretariat to serve on the National Commission of that State in order to assist in the development of its work.

ARTICLE VIII

Reports by Member States

Each Member State shall report periodically to the Organization in a manner to be determined by the General Conference on its laws, regulations and statistics relating to educational, scientific and cultural life and institutions and on the action taken upon the recommendations and conventions referred to in Article IV, Paragraph 4.

ARTICLE IX

Budget

1. The Budget shall be administered by the Organization.

2. The General Conference shall approve and give final effect to the Budget and to the apportionment of financial responsibility among the States Members of the Organization subject to such arrangement with the United Nations as may be provided in the agreement to be entered into pursuant to Article X.

3. The Director-General with the approval of the Executive Board may receive gifts, bequests and subventions directly from Governments' public and private institutions, associations and private persons.

ARTICLE X

Relations with the United Nations Organization

This Organization shall be brought into relation with the United Nations Organization as soon as practicable as one of the specialized agencies referred to in Article 57 of the Charter of the United Nations. This relationship shall be effected through an agreement with the United Nations Organization under Article 63 of the Charter which agreement shall be subject to the approval of the General Conference of this Organization. The agreement shall provide for effective cooperation between the two Organizations in the pursuit of their common purposes and at the same time shall recognize the autonomy of this Organization within the fields of its competence as defined in this Constitution. Such agreement may, among other matters, provide for the approval and financing of the Budget of the Organization by the General Assembly of the United Nations.

ARTICLE XI

Relations with Other Specialized International Organizations and Agencies

1. This Organization may cooperate with other specialized inter-governmental organizations and agencies whose interests and activities are related to its purposes. To this end the Director-General, acting under the general authority of the Executive Board, may establish effective working relationships with such Organizations and agencies

and establish such joint Committees as may be necessary to assure effective cooperation. Any formal arrangements entered into with such Organizations or agencies shall be subject to the approval of the Executive Board.

2. Whenever the General Conference of this Organization and the competent authorities of any other specialized inter-governmental organizations or agencies whose purposes and functions lie within the competence of this Organization deem it desirable to effect a transfer of their resources and activities to this Organization the Director-General, subject to the approval of the Conference, may enter into mutually acceptable arrangements for this purpose.

3. This Organization may make appropriate arrangements with other inter-governmental organizations for reciprocal representation at meetings.

4. The United Nations Educational, Scientific and Cultural Organization may make suitable arrangements for consultation and cooperation with non-governmental international organizations concerned with matters within its competence and may invite them to undertake specific tasks. Such cooperation may also include appropriate participation by representatives of such organizations on Advisory Committees set up by the General Conference.

ARTICLE XII

Legal Status of the Organization

The provisions of Article 104 and 105 of the Charter of the United Nations Organization concerning the legal status of that Organization, its privileges and immunities shall apply in the same way to this Organization.

ARTICLE XIII

Amendments

1. Proposals for amendments to this Constitution shall become effective upon receiving the approval of the General Conference by a two-thirds majority provided, however, that those amendments which involve fundamental alterations in the aims of the Organization or new obligations for the Member States shall require subsequent acceptance on the part of two-thirds of the Member States before they come into force. The draft texts of proposed amendments shall be commu-

nicated by the Director-General to the Member States at least six months in advance of their consideration by the General Conference.

2. The General Conference shall have power to adopt by a two-thirds majority Rules of Procedure for carrying out the provisions of this Article.

ARTICLE XIV

Interpretation

1. The English and French texts of this Constitution shall be regarded as equally authoritative.

2. Any question or dispute concerning the interpretation of this Constitution shall be referred for determination to the International Court of Justice or to an Arbitral Tribunal as the General Conference may determine under its Rules of Procedure.

ARTICLE XV

Entry into Force

1. This Constitution shall be subject to acceptance. The Instruments of Acceptance shall be deposited with the Government of the United Kingdom.

2. This Constitution shall remain open for signature in the Archives of the Government of the United Kingdom. Signature may take place either before or after the deposit of the Instrument of Acceptance. No acceptance shall be valid unless preceded or followed by signature.

3. This Constitution shall come into force when it has been accepted by twenty of its signatories. Subsequent acceptances shall take effect immediately.

4. The Government of the United Kingdom will inform all members of the United Nations of the receipt of all Instruments of Acceptance and of the date on which the Constitution comes into force in accordance with the preceding paragraph.

In faith whereof the undersigned duly authorized to that effect, have signed this constitution in the English and French languages, both texts being equally authentic.

Done in London the sixteenth day of November 1945 in a single copy, in the English and French languages, of which certified copies will be communicated by the Government of the United Kingdom to the Governments of all the Members of the United Nations.

United States Participation in UNRRA

PRESIDENT'S MESSAGE TO CONGRESS¹

[Released to the press by the White House November 13]

To the Congress of the United States of America:

This country has pledged itself to do all that is reasonably possible to alleviate the suffering of our war-torn allies and to help them begin the task of restoring their economic productivity. The United Nations Relief and Rehabilitation Administration is one of the most important instrumentalities for accomplishing this great task.

As I stated in my message to the Congress on September 6, 1945, the forty-seven nations of the Council of United Nations Relief and Rehabilitation Administration determined at their Third Meeting in London last August that contributions beyond those originally made would be necessary if we expect to complete the minimum tasks assigned to UNRRA. The Council recommended, on the motion of the United States Delegate, that each member country, whose territory had not been invaded by the enemy, should contribute an additional amount equal to one percent of its national income for the fiscal year 1943.

In accordance with this recommendation, the United States share would be \$1,350,000,000, matching our original contribution authorized by the Act of Congress of March 28, 1944.

The original contributions of all the member nations have been applied principally to the activities of UNRRA in providing relief and rehabilitation assistance to the countries of eastern and southeastern Europe, and to the care of United Nations displaced persons stranded in enemy territory. UNRRA, of course, does not undertake relief or rehabilitation responsibilities in either Germany or Japan.

The invaded countries of northwest Europe, comprising France, Belgium, Holland, Denmark and Norway, by and large, possess sufficient resources in foreign currency and credit to acquire their own essential imports from abroad. Direct assistance to northwest Europe is, therefore, not being furnished by UNRRA.

Poland, Czechoslovakia, Yugoslavia, Greece, and Albania, on the other hand, not only have suffered greatly at the hands of the enemy in the course of the war but they are almost entirely without foreign exchange or credit resources. Consequently to date they have been the chief objects of UNRRA's activity.

UNRRA has undertaken a limited program of \$50,000,000 in Italy to provide for the health and care of children, and expectant or nursing mothers.

Italy, since her participation in the war as a co-belligerent with the United Nations, has contributed substantially in both manpower and facilities to the Allied victory, becoming, at the same time, one of the most severely contested battlefields of the war. The destitution and needs there are appalling. Italy has virtually no foreign exchange resources and without the aid of UNRRA the country might well lapse into starvation.

UNRRA has also assisted in the care and repatriation of millions of allied victims of Axis aggression who were deported to and enslaved in Germany. It has initiated a preliminary program of assistance to China.

By the end of this year UNRRA anticipates that all the funds which will be made available to it from all sources in accordance with the original contributions will have been spent or encumbered. The flow of supplies purchased with these funds cannot last beyond the early spring.

The end of the war with Japan has made it possible to estimate the magnitude of the relief requirements of China and other Far Eastern areas. Reports on the European harvest of 1945 reveal a serious shortage of all types of foodstuffs.

China presents the largest of all the relief responsibilities which UNRRA now faces. With inadequate supplies and resources it has struggled bravely for eight years to combat the enemy as well as the ravages of famine, disease and inflation. Other programs are required for Korea and Formosa, two areas of the Far East which are now being restored to the peaceful ranks of the

¹ H. Doc. 378, 79th Cong., 1st sess.

United Nations after decades of Japanese oppression and extortion.

UNRRA proposes the extension of aid to Austria. This proposal is in accordance with the Moscow and Potsdam declarations by the major powers to the effect that Austria should be treated independently of Germany and encouraged to resume the free and peaceful role which it played before being invaded by Hitler's legions.

A limited program of aid is also intended for the Soviet Republics of White Russia and the Ukraine. These areas constituted the principal battlefields in the struggle between Russia and Germany. They were the scene of some of the worst German atrocities, devastation, and pillage.

The recommended additional contributions will hardly suffice to permit UNRRA to meet the most urgent and immediate needs for relief and rehabilitation for which it is responsible. We hope to fulfill a substantial part of this contribution through the use of military and lend-lease supplies which have become surplus since the surrender of our enemies.

I know that America will not remain indifferent to the call of human suffering. This is particularly true when it is suffering on the part of those who by sacrifice and courage kept the enemy from realizing the fruits of his early victories and from bringing his military might to bear upon our own shores.

UNRRA is the chosen instrument of forty-seven United Nations to meet the immediate relief and rehabilitation needs of the invaded countries.

UNRRA is the first of the international organizations to operate in the post-war period, one which the United States originally sponsored and in which it has played a leading part. Apart from purely humanitarian considerations, its success will do much to prove the possibility of establishing order and cooperation in a world finally at peace.

I, therefore, request the Congress to authorize a new appropriation of \$1,350,000,000 for participation in the activities of UNRRA.

HARRY S. TRUMAN

THE WHITE HOUSE,
November 13, 1945.

STATEMENT BY

UNDER SECRETARY ACHESON¹

[Released to the press November 16]

Just two years ago 44 nations signed the UNRRA agreement and created the first of the United Nations organizations. I think it is pertinent to remember that in the middle of a war we and our Allies began to plan for relief and rehabilitation.

Today the United Nations is more than a tentative association of Allies concerned with the planning of relief assistance. It is a political reality. It seems to us natural and normal that we should play our part in that association and join with other countries in the handling of our common problems.

There is some danger that we will forget what an enormous change has occurred in our thinking and take for granted the techniques we have perfected to work together in peace as well as in war.

UNRRA is not just another agency which we can alter or discard to suit some temporary convenience, for it has become one of the foundation blocks of our whole effort to secure a functioning international organization.

There have been three meetings of the UNRRA Council. At each meeting there were differences of opinion. At each we have insisted upon certain objectives and have pressed for a vote of the member nations to decide those questions. We have not always won. Nor have those who opposed us always won, and yet no country has said, "If I can't have my way in every case, I will withdraw from the organization." We and every other member have accepted the vote of the Council and have gone on to work together.

Perhaps it is true that the questions raised at the Council sessions did not involve the largest political issues of the time, and to us many of them may have even seemed trivial, but other countries thought some of the questions involved quite fundamental principles, and yet they accepted the decisions of the United Nations with good grace.

That to me is an enormous achievement. If we can continue to meet together and talk freely about our problems, if we can settle our differences in committees and sessions of the Council as a matter of course, we have gone a long way in preparing for the similar handling of all of our common problems in the Assembly and the Security

¹ Made on Nov. 16, 1945 before the House Foreign Affairs Committee in connection with a bill making further authorizations for UNRRA.

Council as well as the other international organizations we have created.

In UNRRA the task is well under way. We have a going concern that is getting relief and rehabilitation supplies to those who need them. The task, however, is larger than we expected when we were planning it. At that time we could not know what devastation and suffering would follow in the wake of war.

It was always recognized that the greatest part of the job would have to be done by the devastated peoples themselves; UNRRA could only supplement these efforts by providing essential imports from abroad which some of the countries lacked the foreign-exchange resources to provide for themselves.

The magnitude of the war far exceeded our expectations, and the destruction wrought by the enemy, as well as the damage of battle caused by our own invading armies, was more extensive than the world has ever known before.

In addition, it has become urgently necessary, in the opinion of the Council of UNRRA, to widen the scope of its responsibilities. New programs have been authorized for Italy and Austria because of our determination to distinguish between those nations and Germany and Japan. Programs have also been authorized for Korea and Formosa, until recently claimed as parts of the Japanese Empire. The needs in these areas are great and will involve the expenditure of a large part of the funds now sought.

Another factor of importance is that the end of the war in the Pacific has at last made it possible to give more than token assistance to China. Here also the needs are enormous and the capacity for self-help is inadequate.

Also limited aid is expected to be given to the two Soviet republics which suffered most severely from the German invasion. The Soviet Union will be able to furnish most of the aid its people require, but the supplementary assistance the White Russian and Ukrainian Republics will receive from UNRRA will fill a pressing need.

When I appeared before your committee during the hearings on the original authorization bill, I stated that the original contributions recommended by the UNRRA Council were based upon the best estimates then available of the size of the job to be done. I also stated that if these estimates proved to be wrong the whole matter would require

new consideration by the Council and new recommendations would have to be laid before the Congress.

At the Council meeting in London this past summer the need for additional funds was considered, and the present request for an additional authorization is now before you in accordance with the Council's recommendation.

Today the world is at peace, but the cessation of hostilities has not solved the problems of starvation and misery in the lands which suffered the direct impact of war. We and our Allies have united through UNRRA to try to alleviate this suffering by common action, and we are now in a position to accomplish that task. If the additional contributions which have been recommended are made available, supplies can be procured and ships can deliver those supplies.

Together we have won the war. Surely we cannot afford to dissipate our unity and cooperation now that victory has been achieved. There is no question of the need. The only question we face is whether we will make our contribution and join with the other United Nations to meet that need.

STATEMENT BY ASSISTANT SECRETARY CLAYTON¹

[Released to the press November 14]

The commencement of these hearings on a new authorization by Congress for United States participation in the work of UNRRA is a reminder to me of the support and cooperation which we have received from this Committee in attempting to solve this whole vast problem of relief and rehabilitation in the war-devastated areas. I was very gratified when the Chairman informed me last July that your Subcommittee would participate in the UNRRA Council deliberations. While the members of this group were in London during August I think they were able to gain for themselves some impression of the magnitude of the problems facing the national delegations to the Third Council Session, and the UNRRA Administration itself. Other members of this Committee

¹ Made on Nov. 14, 1945 before the House Foreign Affairs Committee in connection with a bill making further authorizations for UNRRA. Mr. Clayton is U.S. Member of the UNRRA Council.

had an opportunity during the summer to see UNRRA at work in the field as an international relief operation. Therefore, most of us are approaching these deliberations with a sense of the urgency and the importance of the continuance of this country's support for UNRRA.

My own introduction to UNRRA and its problems really occurred in the course of the Council meeting in London. I had been asked by the President to assume the Council membership in June because my responsibilities in the Department for economic affairs made it logical for me to replace Mr. Acheson. Preparation for, and attendance at the Potsdam conference, made it practically impossible for me to familiarize myself in any detail with the UNRRA organization, its past progress, or its future plans until I arrived in London late in July. I then had an opportunity to survey all of the operations of UNRRA up to that time and to form an independent judgment of its significance, its performance, and its future.

UNRRA had been subject to considerable criticism for delay and administrative bungling in getting started. It had been competing unsuccessfully with military operations and other wartime activities for competent personnel and for the supplies and facilities which were necessary to do its job effectively. So long as total war continued in the Pacific, I knew UNRRA would have to face a continuation of these difficulties. These obstacles, however, were largely removed by the surrender of Japan which occurred in the course of the Council's deliberations.

The end of hostilities in Europe three months prior to the Council meeting had already burdened UNRRA with many other problems of relief and rehabilitation. Our armies and those of our Allies, which had been carrying the major burden of civilian supply to western Europe and the Mediterranean countries, were quite rightfully eager to shift that responsibility as soon as possible. A similar situation developed in eastern Europe where all supply and transport were necessarily under the control of the Soviet military command until victory over Germany was achieved. Then and then only could civilian governments and agencies begin to undertake their share of the work. We therefore realized that UNRRA, in the course of the summer, was entering upon the period of full-scale operations. It

was the only functioning relief organization able to take over from the military and the only instrument through which all the European countries, as well as the other United Nations, could concert their common interests in helping to restore some semblance of economic order to that continent.

The urgency of the relief and rehabilitation problem in the Far East was equally apparent. The abrupt end of the war with Japan posed the immediate problem of relief for occupied China, a world responsibility for which no agency was sufficiently prepared except UNRRA. Although UNRRA of course had not anticipated beginning actual operations in the Far East on such short notice, it had established many months previously a mission in China which was working closely with the Chinese National Relief and Rehabilitation Agency. Not only had the plans for relief distribution been tentatively agreed upon but also preliminary screening of a target program for China had been completed and was before the Council for consideration. The fact that UNRRA's plans and personnel were so well prepared to assume immediate operating responsibilities made it easy for the Council to agree provisionally on the scope of UNRRA activities and expenditures in China, pending a further review when the mission on the spot could make reports of actual conditions.

The United States Delegation to the Council meeting, on which I was fortunate in having broad and competent representation from all the interested agencies of this Government, as well as from the Congress, reached early agreement on several objectives. We decided that the needs of all the liberated areas which were not to be under the continuing control of the military and which had insufficient foreign-exchange resources to purchase essential relief supplies abroad could best be met through a single channel. The use of any agency other than UNRRA for these new responsibilities would have meant creating a competing unilateral relief organization, which would have immediately indicated to the world that we doubted the feasibility of international cooperation. We therefore agreed to seek extension of UNRRA operations to Italy and Austria in Europe, and to Korea and Formosa in the Far East.

I would also like to mention in this connection the limited program of relief and rehabilitation assistance through UNRRA to the two Soviet re-

publics of the Ukraine and White Russia. Any invaded country is entitled to seek UNRRA assistance provided that the established procedures and policies for such assistance, as agreed upon among the member nations and embodied in the UNRRA resolutions, are observed. The Soviet Union had made an application for UNRRA aid shortly in advance of the Council meeting in the amount of \$700,000,000, which was only enough to cover a part of the minimum supplies essential to relieve their civilian population on terms similar to those of adjacent areas.

In the course of discussing this application with the Soviet Delegation, I emphasized that I did not see how such a program could be included in the UNRRA budget without serious penalty to other receiving countries. I also felt the people of America, as well as those of other contributing countries, would not sympathize with relief assistance of this magnitude to a country which had some foreign-exchange resources at the expense of countries which had none, though admittedly the Russian resources were inadequate to meet the necessary rehabilitation and reconstruction supplies which the U.S.S.R. would have to secure from abroad. The Soviet Delegation ultimately accepted our point of view and agreed to substitute for their original application one for \$250,000,000, to be used exclusively for food and certain other relief articles in White Russia and the Ukraine, the two most devastated Soviet areas. It was understood that UNRRA operations should be carried forward in these two republics just as in any other country receiving UNRRA assistance, with an UNRRA mission establishing the validity of requirements on the spot and observing distribution. This application for limited relief and rehabilitation assistance has already been reviewed under the regular UNRRA procedure for certification of ability to pay, and the two Russian republics have been determined by five UNRRA member governments, including the United States, to require the limited assistance requested.

The Delegation was also aware of the concern in many quarters that UNRRA might be undertaking rehabilitation responsibilities for a longer term than that originally envisaged. We concluded that if a cut-off date for UNRRA operations were established, the receiving countries would have a greater incentive to maximize their indigenous production of relief supplies. The

Delegation therefore agreed to recommend a stoppage of UNRRA shipments to Europe not later than the end of 1946, and a similar stoppage of shipments to the Far East not later than three months thereafter.

In reviewing the criticisms which had been leveled at UNRRA in the past and the corrective measures that might be taken to improve participation in UNRRA activities by member nations, the United States Delegation felt that the governments concerned should take a more active interest in furnishing supplies, services, and competent personnel to UNRRA. We also decided that it would be desirable for the Director General to have the assistance and advice of the Council, through the Central Committee, in determining equitable distribution of UNRRA's resources among the various receiving countries.

Lastly, my advisers were aware that there remained many unsettled policy questions with regard to UNRRA displaced-persons operations. We knew that several Council members did not feel UNRRA should give any assistance to displaced persons without the consent of the government of origin. Such a restriction would not be acceptable to the American public, and UNRRA would face an impossible task administratively if it could not undertake the care of all categories of displaced persons for which it was responsible without reference to repatriability, or to race, creed, and political belief. Also, in scaling UNRRA demands down to a minimum, we recognized that the administration should not have to advance the cost of supplies needed for the care of displaced persons in enemy territory when such charges were ultimately to be borne by the enemy country itself. The Delegation therefore determined to recommend that the occupying authorities should furnish these supplies and be responsible for recovering their cost later from enemy assets.

As the record will show, and as most of you are aware, we succeeded in attaining all of our objectives at the Council meeting in London. In many instances, agreement was not reached with the member nations without considerable debate and in some instances only after major differences of opinion had been resolved. Nevertheless, agreement was reached on a basis which I believe was in the interests of the United States and also in the interests of UNRRA and all member nations.

The very fact that such a meeting of the minds was achieved is a most encouraging sign that international cooperation on matters of common concern is possible.

I feel that the recommendations of the London Council meeting, which are financially embodied in the new legislation being considered by this Committee, represent a program which is in our best interests. I believe this Committee's examination of the problem before us will justify my sincere conviction that we are asking Congress to do what is right and necessary as our share of world relief and rehabilitation.

This Committee must reach conclusions on the two major aspects of the relief and rehabilitation problems which the world now faces—the need and the method. I have no doubt of your conclusion as to the need on the basis of the facts which are available and which will be laid before you. Nor have I any doubt as to your acceptance of the urgency and the necessity that this Government take the promptest possible action to announce to the world by legislative action our willingness to play our part in this great task. I hope also that this Committee will reaffirm that in UNRRA we have the proper method of furnishing relief and rehabilitation assistance.

I have recently heard criticisms to the effect that UNRRA is a cumbersome and ineffective mechanism, and that we should substitute for it a national relief agency. I am convinced that such ideas are held by relatively few of our citizens and arise chiefly from a failure to consider all aspects of the problem.

We, as a nation, have committed ourselves to international cooperation and collaboration. UNRRA is the first operating experiment in the implementation of this policy. I have recognized difficulties and weaknesses in the UNRRA administration, which are also recognized by the Director General, Governor Lehman, and I will do all in my power as this Government's representative on the Council to help overcome or correct them. Any alternative method for giving relief and rehabilitation assistance to countries without sufficient foreign-exchange and credit resources to meet the problem themselves is, to my mind, unthinkable and impractical.

Assistance to China in Effecting Japanese Surrender¹

The United States is using its facilities in the China area to assist the Chinese Government in effecting the surrender, disarmament, and repatriation of the Japanese armed forces in China, who number approximately two million men. The Chinese authorities lack the shipping and other forms of transport necessary to convey their armed forces to various areas in China in order to accomplish the above-stated task. The Chinese authorities have therefore sought our assistance in transporting Chinese troops for that purpose. We have granted the Chinese request not only because we had available shipping in the Far East but also because we felt it a responsibility on our part to assist our Chinese Allies to effect the surrender, disarmament, and repatriation of the Japanese armed forces in China at the earliest possible date.

The activities of our armed forces in the Far East, including the transport of Chinese troops, are being carried out solely for the purposes indicated above. It is neither our purpose nor our desire to become involved in the internal affairs of China.

United States Forces in Korea

[Released to the press November 16]

United States forces in Korea have been faced with many problems since they first landed on September 8. Some of these problems were foreseen and others, with the turn of events, were unexpected.

Because of the distribution of Allied forces at the time of Japanese surrender, General Order No. 1, which the Allied governments through General MacArthur required the Japanese Government to issue, directed Japanese forces in Korea north of the thirty-eighth parallel to surrender to Soviet forces, while those south of the thirty-eighth parallel were to surrender to United States forces.² This operational line was intended to be temporary and to serve only to fix responsibility for the purpose of carrying out the aims of the General Order. It was realized, however, that this line, even though temporary, might have the

¹ Statement prepared in the Division of Chinese Affairs, Office of Far Eastern Affairs, Department of State.

² Not printed.

effect of jeopardizing the fundamental unity of the country. The United States commander, therefore, was given complete authority to settle with the Soviet commander any local problems caused by the unnatural division of the country. Practical difficulties in the accomplishment of this desired aim have been encountered locally, however, and in order to overcome these difficulties the United States Government has taken the subject up with the Soviet Government in Moscow with the suggestion that they be solved either through local negotiations, between the two occupational commanders, or on a governmental level. The practical problems include the reintegration of communications and the economic unification of the country, the realization of which would establish the country in a sound position.

Further problems arise from the fact that the leaders of Korea have been ruthlessly dominated and exploited for 35 years by the Japanese and therefore need political and administrative assistance.³ General Hodge, appointed by General MacArthur to command United States forces in Korea, arrived at Seoul, the capital, with a firm program for the elimination of Japanese from the government and the substitution of Korean leaders in their stead. He envisaged his own position as being merely that of a coordinator and adviser. Because of Japanese predominance in administrative positions and the need for their sudden removal he found it necessary to assume, with United States personnel, the major burdens of governmental responsibility.

Many prominent and capable Koreans had taken up voluntary or enforced exile from their native land as a result of the Japanese occupation, some of them in the United States. They had a substantial popular following in the Korean underground, which the Japanese had never been able to eliminate. These exiles represent democratic ideals, and the United States authorities in Korea are encouraging their return, as rapidly as transportation difficulties will allow, to work with local Korean leaders in the unification of the diverse political elements.

The sudden release from oppression has resulted in the equally sudden emergence of many political parties, happy in their new-found opportunity for free speech. As might be expected in the establishment of a new nation, there are many differences among these parties and some have found reason

for complaint, not only in the activities of the other political groups but in the policies of the reorganized government.

The United States Government, in consultation with the Soviet Government, is making every effort to improve the situation in Korea and hopes that communications, trade, and free passage of individuals will be resumed in the near future between the north and south of the country, thus facilitating the ultimate establishment of an independent and unified Korea.

Anniversary of Philippine Commonwealth

Statement by THE PRESIDENT

[Released to the press by the White House November 15]

November 15, 1945 marks the tenth anniversary of the inauguration of the Philippine Commonwealth. Those 10 years were set aside by Congress, and approved by the Filipino people, as a period of preparation for independence. The Philippines and the Filipinos were to have been given those 10 years to prepare their national economy and their national government to assume the full responsibilities of nationhood.

Neither we nor they knew, in 1935, what a test the Philippines would be called upon to pass in 1941—the test of war. The Filipino people went through the ordeals of war and of Japanese occupation in a manner to their immortal credit. It was a credit to them, and to us, who led the Philippines along the 40-year road from serfdom under Spain to commonwealth status. But more than that it was a credit to those ideals of democracy and human dignity which America introduced into the Philippines in 1898, ideals which took root there so firmly as to survive every savage effort of the Japanese to uproot them.

The Filipino people are spiritually worthy of independence. They have won their spurs as a nation. We will honor our promise and our pledges to them. The United States stands ready to aid the heroes of the Philippines in every way we can.

The United States honors the Filipino people on this tenth anniversary of Commonwealth Day.

³ For article on Korea's internal political structure, see BULLETIN of Nov. 12, 1944, p. 578.

Reduction of Required Gold Coverage of Philippine Currency

[Released to the press by the White House November 14]

The President on November 14 addressed the following letter to Sergio Osmeña, President of the Philippines:

I have for some time delayed my approval of House Bill No. 176 of the first Philippine Congress, which provides a reduction of the required gold coverage of Philippine currency. This delay has been due to the fact that there have been persistent charges that a sizable fraction of the Members of the Philippine Congress had been guilty of collaboration with the enemy, and I have not wanted my approval of the act to be distorted into approval of collaboration.

I am informed, however, that the provisions of House Bill No. 176 are necessary to the effective conduct of the Philippine Government and I accordingly have approved the act. At the same time, I should like to emphasize that my signature is in no sense an approval of the presence in the Philippine Congress of any person who has given aid to the enemy or his political policies.

Extradition Treaty Between United States and Canada

TRANSMITTAL OF PROTOCOL

[Released to the press by the White House November 16]

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a protocol, signed in Ottawa on October 3, 1945, to be annexed to, and to form a part of, the extradition treaty between the United States of America and Canada signed in Washington on April 29, 1942.

I transmit also for the information of the Senate a report on the protocol¹ made to me by the Secretary of State.

HARRY S. TRUMAN

THE WHITE HOUSE,
November 16, 1945.

THE DEPARTMENT

Appointment of Officers

Spruille Braden as a member of the Board of Foreign Service Personnel and Board of Examiners for the Foreign Service, effective November 13, 1945.

George H. Butler as Deputy Director of the Office of American Republic Affairs, effective October 24, 1945.

Fisher Howe as Special Assistant to the Assistant Secretary for Economic Affairs, effective November 13, 1945.

Garrison Norton as Deputy Director of the Office of Transport and Communications Policy, effective November 1, 1945.

The following designations have been made in the office of the Assistant Secretary for American Republic Affairs:

Jonathan Bingham as Special Assistant, and also Chief of the Alien Enemy Control Section, effective November 14, 1945.

James H. Wright as Special Assistant, effective November 1, 1945.

Change in the Name of the Commodities Division to the International Resources Division²

Purpose. This order is issued to change the name of the Commodities Division in order to reflect more accurately its functions.

1 *Change in name of the division.* The name of the Commodities Division of the Office of International Trade Policy is hereby changed to International Resources Division (routing symbol IR).

2 *Functions of the division.* The functions of the division shall remain unchanged.

3 *Orders amended.* Departmental Order 1319 of May 1, 1945, and any other orders the provisions of which are in conflict herewith, are accordingly amended.

JAMES F. BYRNES

NOVEMBER 1, 1945

THE FOREIGN SERVICE

Consular Offices

The American Consulate General at Rangoon, Burma, was reestablished on November 2, 1945.

The American Vice Consulate at Puntarenas, Costa Rica, has been closed to the public as of October 31, 1945.

¹ Not printed.

² Departmental Order 1355, issued Nov. 5, 1945, and effective Nov. 1, 1945.

Cultural Cooperation With the Soviet Union

Address by CHARLES J. CHILD¹

[Released to the press November 18]

I can remember a certain day in late August, warm and sunny. I sat on a grassy bank watching a curious sight: a crew of men were loading birch logs on to the train tender as fuel. I was in Siberia, somewhere in the vicinity of Irkutsk, and the year was 1928. The thought occurred to me at the time: "Here is a vast and beautiful land—very much like our own—a land of many climates and many bloods but which is still struggling to overcome an almost impossible transportation problem by any means at hand."

Well, we have all traveled a long way since then. If you stood on the same bank today you would doubtless see, as a familiar and normal sight, great planes made in the Soviet Union piloted by Soviet personnel, shooting along through the sky at rates undreamed of then.

I think this change aptly symbolizes how the world has shrunk in a few short years. The Soviet people had to overtake their enemies in the matter of transportation and communication. They could not have shared so effectively in winning the war if they had not by superhuman effort been able to revolutionize and modernize their entire system of communications almost overnight. Now the world has shrunk so far that today when a man in Stalingrad sneezes, a man in Brooklyn clutches his hat.

In terms of human contacts this simply means that it is now possible for almost the first time in human history to substitute precise and continuous information for legend, rumor, and gossip. Such precise information is based on actual exchanges of persons, of ideas, of materials, exchanges of knowledge, of skills and arts, and it guarantees that neighbor nations now no longer need to communicate only on the somewhat rarified political level or solely on the economic level. Much of it can proceed directly from person to person as a matter of friendly understanding.

This is a profound change in the basis of human relationships which has in many ways caught us almost unawares. It is a change which has reflected itself in government. The Department of State of today, for example, is gradually emerging as a tripartite instrument—political, economic, cultural—for increasing our knowledge of other peoples and their better knowledge of how we live. The Division of Cultural Cooperation in which I labor works in the fields of science, education, and the arts, and has as its stated policy the stimulation of better understanding through exchanges of persons, knowledge, and skills. It helps in the exchange of technical commissions, leaders, students, musicians, artists, and outstanding examples of their work. The Department is at present seeking to gear itself to its increasing responsibilities to become more effective—not as a rival but as a partner of the non-government groups in these fields in order to stimulate such exchanges to the best advantage.

In this connection I am confident that the vision and imagination of the Soviet people so brilliantly applied to the defense of their own soil is being used effectively in solving the complex problems of peace. But all of us would like to become more familiar with all phases of this great new effort. And we desire to keep them informed of what is being done in the United States which affects the lives of our artists, writers, musicians.

The problems of peace, no less urgent than those of war, will absorb the energies of our two peoples for years to come. The real story will be that of the necessary work of reconstruction and reconversion, the work of providing useful jobs in a peacetime world.

Now if we in this country can create successful mechanisms by which our people and the Russian people can speak more directly to each other through the medium of the arts, and use this medium not only in the work of reconstruction itself but to get across to each other the best of our solutions, we will have taken the first steps in helping create a new era of solidarity based on realistic friendship, a friendship based on precise

¹Delivered before the National Council of American-Soviet Friendship, New York, N. Y., Nov. 18, 1945. Mr. Child is Adviser on Art and Music in the Division of Cultural Cooperation, Office of International Information and Cultural Affairs, Department of State.

and continuous information about each other. Leave legend to the ancients. We want to face the facts.

Today's picture is one of two equals, each confident in his tested strength, each victorious in an exhausting war. In this strength and this confidence we can afford to look each other full in the face and dare to see ourselves as we really are.

Ivan and Sam have fought together and found it good. Now they can sit back over a cup of coffee or a glass of tea, or if you like, sunflower seeds and chewing gum, and make carefully considered plans for the future as old comrades-in-arms in an atmosphere of mutual respect and gratitude. To help this process let us plan how to exchange radio, motion pictures, publications to greater advantage. We should see each other's ballet, theater, paintings, sculpture, and hear each other's music—and not only on the radio. We should fully and freely examine the differences between our schools of art, our music-education systems, our public parks, city plans, and museums. We want a chance to know just why the Red Army Chorus is so good. In other words, we should each put ourselves in a position of being able to benefit by the discoveries and solutions of the other in the world of the arts. And we should be able to evaluate the imperfections which are inherent in all systems, without a sense of shock.

If we do this we can gradually build a trade in ideas which will leave lend-lease far behind in value given and received. For ideas help to create new ideas, and the stock of exchange of this kind of commodity does not dry up or become exhausted. I want to repeat this: the heart of the matter is not just diplomacy, it is not controls, it is not formal gestures, though these factors necessarily enter into the picture; it is mutual confidence, based on day-to-day knowledge of each other; and I think you will appreciate that in the arts above all we have in our hands a force which leaps the barriers of language and goes directly to the hearts and minds of people.

In part we know the kinds of things we will find. It is not for nothing that new editions of *War and Peace* continue to be published here or that Shostakovich and Prokofiev are so enormously popular. Russian ballet has always had its great American audiences and will have them again. Russian plays and Russian choral singing are a part of our common cultural experience. And in the Soviet Union Jack London, Heming-

way, Roy Harris, Copland, and many others are deeply felt. We should strive soberly and carefully to increase such areas of knowledge about each other so that lingering doubts and fears will be dispelled in the light of fuller, more accurate knowledge.

If this process of cross-fertilization is continued and if we adjust our sights to the realities of a shrunken world, the mechanics, devices, rituals, and symbols which continuously force themselves up out of the consciousness of both our peoples may be used for creative rather than destructive ends. But not without constant effort and constant attention to the ends in view.

Now it would seem to me that in our day there can be no greater challenge to intelligent citizens than that of building an enduring friendship between our two peoples. But this enduring friendship cannot be made to grow without the essential contribution of the arts and humanities which show us not only the face but the inner nature of a people. I therefore call upon American and Russian workers in the arts to meet this supreme challenge with courage and mutual confidence. It is a challenge which gives them the opportunity to contribute as partners with their governments to the good health and wholeness of the world—the one world—we live in. To American artists I say: let your creative work really tell the story of the United States in honest terms. We want to let the Russian people know what we are like, the direction of our thinking. We must make known to them the face of America. The arts can contribute notably to this process. To Soviet artists I say: give us the true story of your day-to-day life. We want to know not only the triumphs but the struggles of the Soviet people.

The Department of State will try to strengthen this process with such information and assistance as it is in a position to give, but the bulk of the work will have to be carried out by private, non-government groups. I believe this is a task really worthy of the age we live in, the task of cementing the new foundation of a common structure of understanding. I want to make it clear that this process is not something that will take place spontaneously, it will be the work of many years—of many generations perhaps. Understanding between nations as between individuals does not come overnight. It is the product of unceasing, sober effort, of give and take, of honesty and fair

dealing in the exchange of the products of our skills.

The military might of our two nations is known everywhere. But military might is not the whole story. The enduring spiritual qualities which produce true greatness and victory in battle are of a different order, and are more difficult to know. We still have to convince a somewhat skeptical world that we are not just a nation with a "gadget culture". We have to make increasingly clear the story of our long struggle toward the American ideal of true democracy, in spite of our obvious imperfections. It is a good story and one that deserves to be told. But we can tell it most effectively in the long run through better city planning, better architecture, better schools, and finer and more noble works of art than we have yet achieved. But there are great difficulties to be overcome—the language barrier is very real. It will never be easy for us as a nation to master a Slavic tongue. And the very concepts in which we think will tend to create certain areas of confusion—a confusion of interpretation in our basic concepts. Another difficulty is that of emphasis. We must never expect to agree completely on the things we think of greatest importance. Our two styles of living can never be completely alike—we would not wish them to be; nor will our political and educational institutions be mirror images of each other. These and many other differences between us will materially slow up the process of understanding and at times can be expected to produce moments of friction which must be realistically faced and mastered.

Thus, we see that the task is only begun. The problems are not all solved. We face years of work in our laboratories, our schools, our studies, and workshops, those instruments by which civilization is most truly seen and known. If we share the products of these producing agencies, if we succeed in creating better and better instrumentalities for the spread of our skills, our knowledge, and our arts we will have set ourselves on the road of long-time friendship, based on honest understanding.

If we do this—if we attempt to learn of the Soviet people through their science, education, and arts, and if we in turn tell the story of American life in terms of its practical accomplishments and its spiritual insights, we will have taken wise advantage of our present opportunity—that of creating a true and lasting bond of friendship with the people of the Soviet Union.

Ratification of the Charter of the United Nations

[Released to the press November 13]

Instruments of ratification of the Charter have now been deposited by thirty-nine nations. Since October 24, when the Charter came into force with the deposit of the twenty-ninth instrument of ratification, ten other nations have deposited their instruments of ratification.

Australia, Liberia, Costa Rica, Colombia, the Union of South Africa, Mexico, and Canada have deposited instruments of ratification with the Department of State during November.

Australia

H. V. Evatt, Minister of State for the Department of External Affairs of Australia, deposited the Australian instrument of ratification of the Charter on November 1.

Liberia

The instrument of ratification of the Charter by the Government of Liberia was received by the Department of State from the American Legation in Monrovia and was deposited on November 2.

Costa Rica

Francisco de P. Gutierrez, Ambassador of Costa Rica, deposited on November 2 the instrument of ratification of the Charter by Costa Rica.

Colombia

Carlos Sanz de Santamaria, Ambassador of Colombia, deposited his Government's instrument of ratification of the Charter on November 5.

Union of South Africa

H. T. Andrews, Minister of the Union of South Africa, deposited on November 7 the instrument of ratification of the Charter by the Union of South Africa.

Mexico

Antonio Espinosa de los Monteros, Ambassador of Mexico, deposited the Mexican instrument of ratification of the Charter on November 7.

Canada

Lester B. Pearson, Ambassador of Canada, deposited the Canadian instrument of ratification on November 9.

The President of the United States of America signed his proclamation of the Charter on October 31.

Action Taken on the Charter of the United Nations¹

Country	Dates of deposit of instruments of ratification (1945)	National action by countries which have not deposited ratifications
*Argentina.....	Sept. 24.....	Approved by Chamber of Deputies on Oct. 31. To be sent to Senate.
Australia.....	Nov. 1.....	
Belgium.....		
Bolivia.....	Nov. 14.....	
*Brazil.....	Sept. 21.....	
*Byelorussian Soviet Socialist Republic.	Oct. 24.....	Ratified by President on Oct. 15.
Canada.....	Nov. 9.....	
*Chile.....	Oct. 11.....	
*China.....	Sept. 28.....	
Colombia.....	Nov. 5.....	
Costa Rica.....	Nov. 2.....	
*Cuba.....	Oct. 15.....	
*Czechoslovakia.....	Oct. 19.....	
*Denmark.....	Oct. 9.....	
*Dominican Republic.	Sept. 4.....	
Ecuador.....		
*Egypt.....	Oct. 22.....	
*El Salvador.....	Sept. 26.....	
Ethiopia.....	Nov. 13.....	
*France.....	Aug. 31.....	
Greece.....	Oct. 25.....	Ratified Nov. 1.
Guatemala.....		
*Haiti.....	Sept. 27.....	
Honduras.....		
India.....	Oct. 30.....	
*Iran.....	Oct. 16.....	Ratified by Queen on Nov. 16.
Iraq.....		
*Lebanon.....	Oct. 15.....	
Liberia.....	Nov. 2.....	
*Luxembourg.....	Oct. 17.....	
Mexico.....	Nov. 7.....	Ratified by King on Nov. 16.
Netherlands.....		
*New Zealand.....	Sept. 19.....	
*Nicaragua.....	Sept. 6.....	
Norway.....		
Panama.....	Nov. 13.....	
*Paraguay.....	Oct. 12.....	
Peru.....	Oct. 31.....	
*Philippine Commonwealth.	Oct. 11.....	
*Poland ²	Oct. 24.....	
*Saudi Arabia.....	Oct. 18.....	
*Syria.....	Oct. 19.....	
*Turkey.....	Sept. 28.....	

Foreign Commerce Weekly

The following articles of interest to readers of the BULLETIN appeared in the November 3 issue of *Foreign Commerce Weekly*, a publication of the Department of Commerce, copies of which may be obtained from the Superintendent of Documents, Government Printing Office, for 10 cents each:

"Modern Egypt Initiates Vegetable Dehydration", by Robert Bailey Elwood, assistant agricultural officer, American Legation, Cairo.

"Construction Machinery—São Paulo Opportunities", by Frederic C. Fornes, Jr., consul, Consulate General, São Paulo.

In the issue of November 17 appears the following article:

"Mexico's Leather Goods: Development and Trends", based on reports from various consulates in Mexico.

Country	Dates of deposit of instruments of ratification (1945)	National action by countries which have not deposited ratifications
*Ukrainian Soviet Socialist Republic.	Oct. 24.....	
Union of South Africa.	Nov. 7.....	
*Union of Soviet Socialist Republics. ³	Oct. 24.....	
*United Kingdom of Great Britain and Northern Ireland.	Oct. 20.....	
*United States of America.	Aug. 8.....	
Uruguay.....		Senate approved Charter Nov. 1. To be sent to Chamber of Representatives.
Venezuela.....	Nov. 15.....	
*Yugoslavia.....	Oct. 19.....	

¹One of twenty-nine countries named in the Protocol of Deposit of Ratifications signed by the Secretary of State on Oct. 24, 1945.

²Compiled as of Nov. 16, 1945 by the Treaty Branch, Division of Research and Publication, Department of State.

³The Charter was signed on behalf of Poland on Oct. 15, 1945 at Washington and for the other governments at San Francisco on June 26, 1945.

⁴The deposit of the Soviet instrument of ratification at 3:07 p.m. on Oct. 24, 1945 brought the Charter into force.

Nobel Peace Prize of 1945 Awarded to Cordell Hull

EXCHANGE OF MESSAGES BETWEEN PRESIDENT OF NOBEL COMMITTEE AND MR. HULL

[Released to the press November 14]

Message from Gunnar Jahn, President of the Nobel Committee, to former Secretary of State Cordell Hull:

The Nobel Committee of the Storting has the honor to inform you that the Committee has awarded to you the Nobel Peace Prize for 1945. The amount of the prize is about 121,000 Swedish kroner. Letter follows. The Committee invites you to come to Oslo to receive the prize on December 10. Will you please inform it whether you can come.

Reply of Mr. Hull to Gunnar Jahn:

I have received your message stating that the Nobel Committee of the Storting has awarded to me the Nobel Peace Prize for 1945. I have been deeply moved by this great honor—one of the

greatest that can come to anyone anywhere.

Enduring world peace, based on justice and fair-dealing, is mankind's sole hope for the survival of our modern civilization. There is no cause more worthy of utmost human effort. I am particularly happy that whatever contribution I have been able to make to that precious cause has received this mark of recognition from the statesmen of a country which itself has done so much toward the advancement of world peace.

It is a matter of keen disappointment to me that the present state of my health renders it virtually impossible for me to go to Oslo on December 10 to receive the prize. Please express to the Committee my most sincere appreciation and my profound regret that I shall be unable to avail myself of an opportunity to express in person my gratitude to them for their generous action.

STATEMENT BY MR. HULL

[Released to the press November 12]

Naturally, I am most gratified to receive the Nobel Peace Award.

Important as has been the struggle for peace in the past, it must be intensified and broadened if the human race is to be preserved in this new and dangerous atomic age. This is a task for the peoples of all nations. To this end there must be increased effort to promote and maintain a more

alert and better informed public opinion throughout the world. But we must never forget that to achieve the great goal of lasting peace it is imperative that there be continued unity, friendly understanding, and common effort among the people and statesmen of the major United Nations who bore the principal burden in the war against the Axis powers.

LETTER FROM PRESIDENT TRUMAN TO MR. HULL

NOVEMBER 12, 1945

MY DEAR MR. HULL:

The American people join with me in congratulations. The honor that has come to you is deeply deserved. No one in a position of great responsibility has striven with more persistence and statesmanship for peace and for the kind of world that makes peace possible.

I feel a sense of personal humility that I should be the one to tender these congratulations on behalf

of the American people. That pleasant task should have fallen, God willing, to my predecessor, President Roosevelt, with whom you worked so long and so well.

Sincerely yours,

HARRY S. TRUMAN

The Honorable CORDELL HULL
Wardman Park Hotel
Washington, D. C.

THE CONGRESS

Atomic Energy Act of 1945. H. Rept. 1186, Part 2, 79th Cong., to accompany H.R. 4566. 6 pp.

Postwar Economic Policy and Planning. Eighth Report of the House Special Committee on Postwar Economic Policy and Planning, pursuant to H. Res. 60, (a resolution authorizing the continuation of the special committee on postwar economic policy and planning: Economic Reconstruction in Europe. H. Rept. 1205, 79th Cong. iii, 51 pp.

Granting Certain Privileges and Immunities to International Organizations and Their Employees. H. Rept. 1203, 79th Cong., to accompany H.R. 4489. 14 pp. [Favorable report.]

Supplemental Estimates of Appropriation for the Department of State. Communication from the President of the United States transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$2,000,000 for the Department of State. H. Doc. 372, 79th Cong. 2 pp.

Authorizing New Appropriation for Participation in Activities of United Nations Relief and Rehabilitation Administration. Message from the President of the United States transmitting his request to Congress to authorize a new appropriation of \$1,350,000,000 for participation in the activities of United Nations Relief and Rehabilitation Administration. H. Doc. 378, 79th Cong. 3 pp.

Authorizing Rehabilitation on the Island of Guam. S. Rept. 705, 79th Cong. 2 pp. [Favorable report.]

Providing for the Appointment of Representatives of the United States in the Organs and Agencies of the United Nations, and To Make Other Provisions With Respect to the Participation of the United States in Such Organization. S. Rept. 717, 79th Cong. 7 pp. [Favorable report.]

Elimination of German Resources for War: Hearings Before a Subcommittee of the Committee on Military Affairs, United States Senate, Seventy-ninth Congress, first session, pursuant to S. Res. 107 (78th Congress) and S. Res. 146 (79th Congress) authorizing a study of war

mobilization problems. Part 6, November 1945, additional material submitted by the War Department. vi, 18 pp.

First Supplemental Surplus Appropriation Rescission Bill, 1946: Hearings Before the Subcommittee of the Committee on Appropriations, United States Senate, Seventy-ninth Congress, first session, on H.R. 4407, an act reducing certain appropriations and contract authorizations available for the fiscal year 1946, and June 30, 1945, and for other purposes. ii, 573 pp. [Indexed.]

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THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 335

NOVEMBER 25, 1945

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BULLETIN

VOL. XIII • No. 335 •



PUBLICATION 2432

November 25, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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The Security Council

By EDWARD H. BUEHRIG¹

THE CHIEF PURPOSE of the United Nations Organization is the maintenance of international peace and security. To this end the General Assembly, with the assistance of the Economic and Social Council and the Trusteeship Council, has the broad-function of improving the economic and social conditions which underlie international peace and security. The function of the Security Council is narrower and more exclusively political. The Security Council is concerned with disputes or situations which may endanger peace and security or actually result in the occurrence of violence. In the first circumstance, the function of the Council is to conciliate differences; in the second, to repress resort to force.

It would be wrong, however, to conclude that the Security Council will act spasmodically. The Charter enables and requires it to exercise a continuing surveillance of international relations for any evidence of dangerous situations. Not only does article 28 provide that the Council shall be in continuous session, but article 34 gives it power to

"investigate any dispute, or any situation which might lead to international friction or give rise to a dispute, in order to determine whether the continuance of the dispute or situation is likely to endanger the maintenance of international peace and security".

In addition, the succeeding article provides that "any Member of the United Nations may bring any dispute or any situation of the nature referred to in Article 34 to the attention of the Security Council".

Moreover, with respect to strategic areas placed under trusteeship, article 83 provides that all functions of the United Nations relating to such areas shall be exercised by the Security Council. In this instance, the Council has an active and continuing function with respect to areas of special significance for international peace and security.

In an endeavor to understand the character of the Security Council, certain features of its design can profitably be pointed out against the background of the League of Nations Council.² Unlike the Covenant, which gave the Assembly and the Council concurrent jurisdiction in matters relating to the maintenance of international peace and security, the Charter gives the Security Council primary responsibility, and all enforcement authority, in this field. Although article 10 provides that the General Assembly may discuss any questions or any matters within the scope of the Charter or relating to the powers and functions of any organs provided for in the Charter and that it may make recommendations to the members of the United Nations or to the Security Council or to both on any such questions or matters, the

¹ Mr. Buehrig is Acting Assistant Chief in the Division of International Security Affairs, Office of Special Political Affairs, Department of State. For other articles on the Charter of the United Nations, see "The International Court of Justice", by Green H. Hackworth, *BULLETIN* of Aug. 12, 1945, p. 216; "Covenant of the League of Nations and Charter of the United Nations: Points of Difference", by Clyde Eagleton, *BULLETIN* of Aug. 19, 1945, p. 263; and "The International Court of Justice and the Problem of Compulsory Jurisdiction", by Lawrence Preuss, *BULLETIN* of Sept. 30, 1945, p. 471.

² For an extensive comparison of the Charter and the Covenant, see *BULLETIN* of Aug. 19, 1945, p. 263.

Assembly's action is in no case binding, and when the Security Council is actively considering a dispute or situation the General Assembly is barred, by article 12, from making recommendations. There is no way, therefore, by which the Security Council can shift final responsibility for action or avoid the onus of any failure. Because of the special position of the great powers in the Security Council, the responsibility, in final analysis, comes to rest in them. Awareness of this made some, although not all, of the small powers at San Francisco entirely willing from the beginning to grant the primary responsibility in this field to the Security Council. This feature of the United Nations Organization, which was taken over without change from the Dumbarton Oaks Proposals, is set forth in paragraph 1 of article 24:

"In order to ensure prompt and effective action by the United Nations, its Members confer on the Security Council primary responsibility for the maintenance of international peace and security, and agree that in carrying out its duties under this responsibility the Security Council acts on their behalf."

The League Council did not have the capacity to make binding decisions as to the existence of a threat to or breach of the peace or as to enforcement action. In the Ethiopian affair the decisions of the Council were viewed merely as an expression of the individual judgment of its members. Every member of the League was free to judge for itself whether its obligations under the Covenant to take cognizance of a breach of the peace and to exercise sanctions were or were not involved. The Charter differs radically from the Covenant in this respect. Article 25 provides that:

"The Members of the United Nations agree to accept and carry out the decisions of the Security Council in accordance with the present Charter."

While this provision does not make legally binding terms of settlement which the Security Council may recommend when concerned with the pacific settlement of disputes under chapter VI, it does make legally binding on all members of the Organization any decisions of the Security Council with respect to threats to the peace, breaches of the peace, and acts of aggression under chapter VII.

The breadth of the Security Council's authority once a dispute or situation threatens the peace or results in an actual breach of the peace stands in sharp contrast to the authority of the League Council. More is involved than the binding effect of its decisions. Not only a "breach" but a "threat" to the peace may be taken cognizance of by the Security Council; and thus not only repressive action but also preventive action is possible under chapter VII. Moreover, with the intention of avoiding the legalistic tangles in which the League got itself involved, the Charter omits any definition of aggression, thereby giving the Security Council latitude to take into account the peculiarities of each situation. Instead of defining aggression the Charter imposes the positive obligation on all members to

"refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations."

This is the fourth of the principles enumerated in article 2.

Finally, a distinguishing feature of the Security Council, which offers further contrast with the League Council, is the special position accorded to the great powers. The division of membership between permanent and non-permanent members follows the pattern set in the Covenant. However, the two categories are more sharply defined in the case of the Security Council by virtue of the ineligibility of non-permanent members to immediate reelection, by virtue of the narrower margin between them—six non-permanent members as compared with the five permanent members (see article 23), and by virtue of the provision for a Military Staff Committee to be composed exclusively of the Chiefs of Staff, or their representatives, of the permanent members of the Council (see article 47).

The greatest differentiation between the two categories of members of the Security Council exists in the voting procedure when substantive matters are involved. In procedural matters a majority of any seven of the Council is sufficient for a decision, and thus all members are on an equal footing. Although the majority required for substantive matters is no larger, and in this

there is a sharp departure from the requirement of unanimity in the League Council, this majority of seven must include, as a general rule, the affirmative votes of all permanent members of the Council. This requirement is invariably true of all decisions to take enforcement action and applies also to decisions relating to the pacific settlement of disputes with the important exception that a party to a dispute shall abstain from voting. With respect to the role of the Security Council in the election of judges to the International Court of Justice and in the calling of a general conference for the purpose of reviewing the Charter, the rule of unanimity does not apply and it is specified that the vote of any seven members of the Council is sufficient for a decision. The total effect of all these provisions is that each of the major powers has a heavily weighted vote. However, the concurrence of two of the six elected members is necessary to reach a decision, and five of the six, by opposing, can prevent a decision.

The foregoing discussion has viewed the Security Council against the background of the Council of the League of Nations. Added perspective on the character of the Security Council can be derived from considering it in relation to the patterns commonly identified and described by students of government. Although it is a device for achieving an objective—the maintenance of peace—with which government is invariably concerned, the Security Council cannot readily be assimilated into any of the traditional governmental patterns—judicial, legislative, or executive.

The International Court of Justice is designated as the agency to which the Security Council should, as a general rule, recommend that disputes of a legal nature be referred. In addition, chapter VI requires the Security Council to take cognizance of the many peaceful means of settlement outside the Charter itself. It may be expected that the disputes dealt with directly by the Security Council will, for the most part, be of the type for the solution of which international law, which in a number of vital respects is relatively undeveloped, is unable to provide readily usable rules and principles.³ It is of some significance, therefore, that the third principle set forth in article 2, which reads that

“All Members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered”,

does not specify law as a separate criterion, although, of course, legal considerations would not be excluded. Article 2 sets forth certain broad principles which are legal in character and to which all members of the Organization are under obligation to conform, but the Security Council cannot properly be viewed as bound narrowly to rules of law. It is part of its character, and an essential element in its successful operation, that it affords wide latitude for the play of all vital considerations. The Charter—which constitutes the fundamental law for the Security Council—is itself stated in the broad terms which command such action.

However, the assertion which has been made that the Security Council is little more than an alliance of the great powers cannot be maintained. In contrast to an alliance, action is not contemplated against a particular nation but rather against a threat to or breach of the peace. Moreover, owing to the setting out of certain general principles in the Charter, to the publicity which will attend the functioning of the Security Council, to the presence of a majority of non-permanent members on the Council, and to the freedom of the Assembly to discuss and recommend, the area within which exclusively national interest may be freely pursued is restricted rather than enlarged by the Charter.

The political character of the Security Council does not in itself preclude the performing of a legislative function. However, so far as such a function may be attributed to the Organization, it is more nearly fulfilled by the General Assembly than by the Security Council. But, even in the case of the General Assembly, the essential element of legislative power is absent by virtue of the fact that the Assembly has only recommendatory powers. Although the power of the Council to recommend terms of settlement in particular disputes has certain legislative implications, the legal status

³ The General Assembly, however, is charged by article 13 to initiate studies and make recommendations to encourage the progressive development of international law and its codification.

of the Council's action in this field is only recommendatory, and, moreover, the fact that the Council's recommendations apply to a specific situation or dispute rather than to general conditions argues against the legislative character of its action. Concern for general economic and social matters is beyond the competence of the Council; it is charged with handling situations or disputes which may endanger international peace and security, or with actual breaches of the peace or acts of aggression.

This last observation suggests that the Security Council has an executive function. Such a characterization would be supported by the fact that in certain circumstances the decisions of the Council are binding on the members of the Organization and that, for the purpose of preventing or suppressing breaches of the peace, actual forces, facilities, and assistance of a military nature are to be placed at the disposal of the Council. Without being exclusively so, the Council is more nearly executive in function than either judicial or legislative.

It has been asserted that the requirement of unanimity among the permanent members of the Council in substantive matters is a flaw which runs through all of the functions of the Council. Although there was little disposition at San Francisco to question the rule of unanimity as it applies to decisions involving enforcement action under chapter VII, there was wide-spread feeling that the exception to the rule of unanimity provided for in the Yalta formula, namely, that a party to a dispute shall abstain from voting, did not go far enough to assure reasonably prompt and effective action in the settlement of disputes under chapter VI. It should be noted that the sponsoring governments recorded their agreement that no individual member of the Council can alone prevent consideration and discussion by the Council of a dispute or situation brought to its attention under article 35.⁴

The rule of unanimity among the permanent members of the Council is one indication that the United Nations Organization, although possessing in certain respects functions approximating those of a government, is not a superstate; its structure

and powers take account of the wide variations within the world which would render impracticable an attempt to set up a single supreme authority.

However, the rule of unanimity has positive value. An essential condition for the maintenance of international peace and security is that the great powers reach a common view in any critical situation. The Security Council is that organ of the United Nations which takes into account this basic political necessity, fulfilment of which is the only sure guaranty of the security of the United States and of all nations. Such collaboration, for instance, is the only certain assurance against renewed attempts at violent expansion by Germany and Japan.

The rule of unanimity in the Security Council merely formalizes this basic political necessity. The reality of the latter could not be changed by a different voting formula. It is of more interest, however, to point out that the rule of unanimity does not have the effect of maximizing the freedom of action of the great powers. Having fought together to preserve themselves against violent aggression, having accepted the responsibility for maintaining international peace and security which only they are in a position to assume, and, to this end, having agreed to work within a framework of principles and procedures, the great powers have placed themselves in a position in which there is a premium on agreement. The rule of unanimity is added pressure on them to accommodate their views and to concert their action.

It would be idle to contend that all the necessary elements to great-power collaboration are contained in the Security Council. It represents a very considerable departure from the traditional diplomatic pattern, and it can make an effective contribution to a world order in which confidence and security among nations will be possible. The paramount requirement for its effectiveness, however, remains as stated by Secretary of State Cordell Hull, in his address of April 9, 1944:

"I am stating what I believe the common sense of my fellow countrymen and all men will recognize—that for these powers [i. e. the great powers] to become divided in their aims and fail to recognize and harmonize their basic interests can produce only disaster and that no machinery, as such, can produce this essential harmony and unity."⁵

⁴ For the four-power statement on voting procedure, see BULLETIN of June 10, 1945, p. 1047.

⁵ BULLETIN of Apr. 15, 1944, p. 339.

The Necessity for Foreign Investment

Address by WILLARD L. THORP¹

[Released to the press November 20]

The post-war world may be making brave new experiments politically, but it is doing rather badly economically. This is, of course, no surprise. The devastation and economic dislocation caused by the war are not easily repaired. Every country in the world has a major reconversion problem, and many have the even more difficult task of reconstruction. Under these circumstances, it is not surprising that the trend in most countries is toward the continuation and even extension of types and forms of government control, far beyond the levels reached in the years before the war. American exports will face new and greater obstacles in various foreign markets unless bold measures are taken soon to forestall or to minimize them.

It is not necessary to elaborate upon the extent to which governments directed economic activity during the war period. It was a problem of mobilizing the resources of the world for a single purpose, with little regard to normal trade processes. Direction was given by control over shipping space, import and export licenses, allocation and rationing machinery, exchange controls, and the like. The mobilization job was done and done well, not so much by the operation of economic forces as by the planning and direction of men working together in many countries toward a single objective. The interests of individual nations were virtually submerged in the common cause.

But now the war is over. The joint effort is finished. And many nations find themselves in a difficult economic condition. Their domestic economies are more or less disorganized. Their capital is severely depleted. They have few assets which can be used to buy raw materials or capital goods abroad. They are not able to produce in sufficient quantity for the home market, let alone for export trade. Their fiscal burdens are heavy and their currencies are insecure. Under these dire circumstances, they have no choice but to continue or to increase the control of their economies by governments. They must

conserve carefully their foreign exchange, allocating its use to items for which there is the greatest need. They must carefully control both imports and exports. They must seek to make trade arrangements where barter deals can be effected without disturbing their balance of payments. Under such circumstances, there is little service which the private trader can perform, and therefore government bulk buying is the result. Those of you who have an interest in foreign trade know all too well how little scope there is for private enterprise to function today in the international field.

This pattern of trade restriction and trade barriers is not the result of free choice by the various nations. It is no devilish plot to shut the United States out of world trade, nor even to pursue the same sort of economic nationalism which was evident in the pre-war years. It is merely the result of compelling necessity. In the face of tremendous requirements and limited resources, a nation has no other course than that of rationing and allocation. And the international arrangements made by such nations tend of necessity to take the form of bilateral trading, clearing agreements, trade preferences, and special contractual arrangements. Few steps have been taken outside the United States toward the demobilization of the governmental forms into which international trade has been cast. In fact, there is a marked trend evident in many countries in the direction of consolidating and expanding the trade controls introduced in wartime. New bilateral arrangements are being rapidly negotiated by various European countries. New import-control plans have been announced by a number of Latin American governments. The British Government has asked for a five-year extension of war powers. And a number of countries are moving into the post-war period with higher duties on imports than they had in 1939.

¹Delivered before the National Industrial Conference Board in New York, N.Y., on Nov. 20, 1945. Mr. Thorp is Deputy to the Assistant Secretary of State for economic affairs.

The trend is not merely in the direction of the maintenance of individual national controls, but of the development of international economic blocs. Pairs of countries enter into exclusive arrangements. Groups of countries try so to balance their trade or payment arrangements as to allow free-exchange transfers to member countries. Inevitably, the three great trading powers are driven to act as the focal point for such groups, so that there are in various stages of formation a ruble bloc, a sterling bloc, and possibly even a dollar bloc, with trade within each tending to be carefully controlled with a view to international balance, and trade among them kept to a balance, which of course means that it will work toward a minimum.

From the point of view of the United States, this must be a matter of grave concern. Nor can many other countries view the prospect with other than alarm. These controls are designed to restrict or divert imports from their natural channels. In the various bilateral and bloc arrangements, they are intended to concentrate the exchange of goods within the framework of national plans and to reduce the dependence of participating countries on the outside world. In particular, they must strive to reduce their dependence upon countries like the United States, whose goods are in great demand but which import with considerable reluctance. The volume of world trade will certainly be greatly reduced as a result of these innumerable artificial barriers and obstacles, and the participation of the United States will be even more sharply limited. In such a world, the private traders of the United States will find themselves thwarted and ineffective, and our own government will have to participate more and more in deals and other arrangements with foreign countries. And government operation in foreign trade is hardly the best way to encourage free enterprise at home. It will be a world in which the plans of different countries are bound to come into conflict, and there is every likelihood that individual nations will bring to bear against each other the whole gamut of economic and political pressures to achieve their economic objectives. And finally, such a restricted world will find its economic recovery sadly retarded, and political instability and economic distress are all too closely related.

These are hard and unpleasant facts to face. They follow automatically from certain funda-

mental economic conditions in the world today. We alone can check the trend. We alone can break these rising barriers to international trade. But we can do it only by dealing with the basic cause—the lack of balance in so many countries between requirements and resources. This circumstance must dictate the shape which American economic foreign policy should take. On this basis, a program must be devised capable of arresting and turning the present dangerous trend toward governmental control and governmental participation in international trade in peacetime.

It is obvious that very little can be done in the short run to change the requirements which these countries have. But a great deal can be done to bring their resources for payment into line. Estimates place the foreign demand for American products in the next few years, if local currencies could be readily converted into dollar exchange, in the neighborhood of 14 billion dollars per year, approximately the volume of exports achieved under lend-lease. By contrast, the present pattern of imports into the United States might reach 6 billion dollars' worth of foreign goods at high levels of employment. It should be evident that under such circumstances foreign governments could not permit private importers to scramble freely for available dollars but would find it necessary to reserve most if not all of the supply for imports having some form of priority. To the extent, however, that the United States increases its imports of foreign products and to the extent that foreign countries are able to obtain dollars on long-term credit, the need to maintain exchange and other controls will be reduced.

The above estimates are not estimates of any ultimate relationship between exports and imports, but reflect in large measure post-war reconstruction requirements. This particular problem is clearly a matter of short-run lack of balance between import requirements and available exports in these war-disturbed areas. For the next several years, therefore, foreign loans may be regarded in large part as representing the provision of working capital for these countries as they get their economies back into productive condition. Such a program of lending would be futile if it were to pour dollars over or behind trade barriers. It must move hand in hand with a reversal of the trend. If the United States wishes to ask foreign countries to discard area preferences, abandon controls over trade, and re-

turn to the conduct of trade on principles reflecting the most economical allocation of resources, it must insure that a sufficient volume of long-term credit is made available to keep their balance of payments in line. Conversely, unless trade is freed of its shackles, many of these so-called "loans" will unquestionably prove to be defaults, rather than healthy extensions of credit.

Although I have characterized these loans as working capital, that may be somewhat misleading. Actually, a substantial part of the imbalance in the next several years is due to the necessity for these areas to obtain capital goods. There is a hard core of requirements for the urgent necessities of consumption which will tend to use up the presently available foreign exchange. To the extent that additional foreign purchasing power is made available to these countries, they will use it for reconstruction and development purposes. Of course, wise capital investment will lead to new productive industries or increased efficiencies. These in turn will give rise to exportable goods. If trade channels are open these goods can move, and will tend to generate their own supplies of foreign exchange for debt service.

The relationship between credit and trade barriers in the mind of the United States Government has already been indicated in article VII of the master lend-lease agreement. In these agreements, the United States and other countries agreed to take action "directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers." More recently, there have been exchanges of notes between this Government and a number of other governments more or less simultaneously with the making of arrangements for credit extensions in connection with winding up lend-lease, in which the governments have agreed mutually to refrain from any further raising of trade barriers, and to seek ways and means of reducing them.

The logic underlying this is very simple: namely, that with trade subject to a series of artificial barriers, there is no hope either that trade will expand or that service of loans will be facilitated. But in a world where barriers are reduced

or eliminated, it is possible to foresee a marked expansion in trade, and the payment of debt service should be a much less difficult problem. Thus, it would be true that a small loan in a restricted world might be a poorer one from the security point of view than a larger loan with trade free to flow as economic forces might dictate. For this reason, discussion of financial policy and commercial policy must go on side by side with foreign countries.

It is, of course, very important that the extension of credit must not in itself add seriously to the problems of international adjustments. The fundamental requirement for any creditor nation is that it must accept imports. It is obvious that we cannot argue for the reduction of tariffs and trade barriers on the part of other countries unless we are prepared to take similar steps ourselves. The impact of this problem upon our economy need not be great if the loans are for substantially long terms, and if we are prepared to continue to maintain our foreign investment position. In the absence of extraordinary political disturbances, there is no reason to suppose that American investors will wish to liquidate foreign investments yielding satisfactory annual returns. While individual loans would be repaid, or refunded, and while individual lenders must be given an opportunity to liquidate their holdings, a general reduction in total foreign investment by this country need not be contemplated. It is only necessary, therefore, for American imports to increase gradually to provide interest and dividend payments on an increasing stock of foreign investments. This may in fact be an inevitable process if some of our pessimistic prophets are right, who point out the tremendous drain on our natural resources caused by the war. They forecast impending shortages in many raw materials which we have never worried about before, and draw the conclusion that we will need to import in steadily increasing quantities.

However, I would not be frank if I did not point out that there is a real risk in undertaking a program of foreign investment. It is a risk which must be incurred if we wish to stimulate world recovery and free foreign trade from its restrictions. The risk is the risk of failure in achieving this objective. Nor must our expectations be too high. We cannot build a perfect world, but perhaps we can make it tolerable. The ground is being carefully laid to assure success if possible.

The United States is taking the lead in developing with other nations a program of commercial policy directed at freeing trade from its hindrances. The International Monetary Fund is intended to prevent short-term capital movements and temporary imbalances in trade from affecting exchange rates. The International Bank for Reconstruction and Development will provide a means for marshalling the support of governments for extensive foreign investment of capital where it is most needed. American interests will be directly served by the Export-Import Bank.

However, once the present emergency is over and the proper environment has been created, the primary responsibility should fall on private investors for seeking out and financing productive opportunities abroad. Perhaps I have talked too much about government lending. However, the discussion has actually been most relevant to the problem of private lending. In a world of trade restrictions and exchange controls, private international financing cannot be expected to play a very large part. Once it is established that interference is permitted under the rules of the game, there are too many ways in which government policies and programs may interfere with the payment process. However, if international agreement can be reached, directed towards freeing the channels of trade, then private lending can take its proper place—and that should be a large place. Capital would be expected to flow from an area where it is plentiful, such as the United States, to other areas where it can be put to highly productive work. Undoubtedly, the return on new investment in the United States will be smaller than in many other countries, where capital has been destroyed or where capital has never been used in ways long familiar in the United States. Highways, railroad, telephone and telegraph facilities, power plants, and other less basic capital improvements are still greatly needed in wide areas of the world. The export of capital to replace lost facilities of proved merit and the introduction of ways of doing things long known to the more progressive countries offer a bright prospect for a profitable return on invested capital, provided the proper general environment can be established.

Let us ignore for a moment the generally unstable political and economic condition which has frequently characterized undeveloped countries and has constituted a real obstacle to the flow of American capital into otherwise attractive foreign

investments. That is a risk usually reflected in the rate of return. In general, large capital exports from the United States will provide a means of increasing productivity in foreign countries. The United States will benefit from the process initially by the export of capital goods, and ultimately by increased trade with these economies. As the standard of living rises with the increased output per worker, he will become better able to buy American goods. American investors in turn will have found a most profitable way to put their savings to work.

But we must put first things first. The world is far from this happy picture of the free flow of capital and of goods among nations. And private investment cannot be expected to take the initial risk. Private investors can make financial policy but they cannot make commercial policy. The initial task is one for the governments of the world, and that can only be done if this country takes the lead. At the moment, there are many governments who agree that economic barriers are an abomination, but they are helpless in the face of their economic requirements. The world cannot be changed by any grand gesture. It will require time and patience and ingenuity and wisdom. But the future is being made in the present. We are striving to draw the world together politically, and we must do the same thing economically. Political cooperation is difficult in a world of economic warfare. Full employment is difficult in a world where trade channels are blocked. We must place international economic relationships on a new basis. Our foreign loans can be investments in prosperity and peace.

Foreign Commerce Weekly

The following article of interest to readers of the BULLETIN appeared in the November 24 issue of *Foreign Commerce Weekly*, a publication of the Department of Commerce, copies of which may be obtained from the Superintendent of Documents, Government Printing Office, for 10 cents each:

"Canadian Export Credit Insurance" by Robert W. Rinden, second secretary and vice consul, American Embassy, Ottawa, Canada.

The Future of International Economic Relations

Address by CLAIR WILCOX¹

[Released to the press November 22]

The question to which I wish to invite your attention tonight can be stated briefly and simply. It is this: What is to be the future pattern of international economic relationships? This is a question of the gravest import for the future peace of the world and for the well-being of all the peoples of the world. It is a question which now presses urgently for an answer. It must be answered. It can be answered.

Social institutions are always subject to change. Human decision can and does affect the course of events. And this is especially true at a time like this. The political and the economic structure of the world has been shaken by war. It is obvious to everyone today that international relationships in industry, finance, and commerce must be rebuilt. The opportunity for making major alterations in this structure is now at hand. But time is short. Our power as social architects is greater this year and next than it will be a few years hence. If we delay until the international economy has hardened into a new mold, our greatest opportunity to shape it in the patterns of peace and prosperity will have been lost. The time for decision is now.

It is well known that there are numerous barriers, both public and private, which obstruct the flow of international trade. It is known, too, that these barriers have been rising during the past two or three decades. Two devastating wars and, between them, a world-wide depression have accelerated this trend. Governments have interfered, increasingly, with the movement of goods and services, money and securities across their borders. They have sought to curb imports by increasing customs formalities, by raising tariffs, by imposing quotas and embargoes, and by controlling the supplies of foreign exchange. They have sought to force exports by depreciating their currencies, by paying subsidies, and by bartering goods for goods. They have sought to gain at the expense of their rivals by entering into exclusive bilateral deals and by setting up preferential systems which discriminate among their suppliers and their customers. At the same time, they have permitted

their private traders to seek higher profits through cartel arrangements that have curtailed output, raised prices, and divided up the markets of the world. And, upon occasion, nations themselves have entered into arrangements that are designed to benefit their producers by curtailing output and boosting prices to the detriment of those outsiders who consume their goods.

I have said that the existence of these devices is well known. Their consequences are less fully understood. When one nation raises its tariff, when it imposes quotas on imports, it prevents the producers of other nations from selling in its markets. When it depreciates its currency, when it subsidizes its exports, it gives its own producers an artificial advantage over the producers of other nations in the markets of the world. When it enters into an exclusive treaty with another nation, under which each of them agrees to discriminate against the goods produced by everybody else, it obtains a favored position which excludes the producers of other nations from the markets concerned. When a nation sets up, within its own sphere of influence, a preferential trading system which discriminates against the other nations of the world, it denies to producers outside the system an equal opportunity to sell their goods. When a nation blocks its exchanges and compels those who have sold to it to accept payment, on a quasi-barter basis, in its own goods, it forces its products into their markets and keeps other products out. In all of these ways, nations prevent other nations from obtaining the foreign exchange which they must have if they are to import the materials and the machines which are essential to their industrial development.

Moreover, when an industrial nation permits its manufacturers to enter into cartel agreements which restrict the output and raise the prices of manufactured goods, and when a raw-material-producing nation itself enters into arrangements which are designed permanently to restrict the

¹ Delivered before the twenty-fifth annual meeting of the National Council for the Social Studies, Milwaukee, Wis., on Nov. 22, 1945. Mr. Wilcox is Director of the Office of International Trade Policy, Department of State.

output and raise the prices of raw materials, it makes these goods and these materials scarce and costly and, to that extent, denies them to the other peoples of the world.

All of these measures operate to restrict the purchasing power of the nations against which they are directed and thus to make it more difficult for such nations to expand their industry and to raise the planes of living of their peoples. In this way they lead to international friction, to retaliation, and perhaps even to war.

This was the unhappy story of international economic relationships between the two world wars. There were few exceptions. Of these, the most important was the passage of the Reciprocal Trade Agreements Act in 1934 and the negotiation, under its provisions, of mutually beneficial reductions in tariff rates between this country and some 20 other nations. Another was the stabilization, in 1936, of the rates of exchange between the pound, the dollar, and the franc. Aside from these bright spots, the story was one of increasing restrictionism and growing discrimination. The most comprehensive, the most complicated, and the most successful perversion of international trade was that accomplished by the German minister of finance, the notorious Dr. Schacht, now under indictment as a war criminal. Unfortunately, however, the elimination of Dr. Schacht from the political scene has not brought with it the elimination of the battery of weapons he used so well to serve the Nazi cause.

The war, with its necessities and its compulsions, has tightened the hold of governments on the world's trade. The channels of trade were broken by hostilities. Where they were not broken, they were altered to meet the requirements of war. The United States, like other countries, engaged in economic warfare as a supplement to military warfare. We bought goods that we didn't need to keep our enemies from getting them. We supplied goods to other countries to obtain from them the things we did need and to insure ourselves of their support. We denied goods to other countries to penalize them for not cooperating with us and to prevent them from aiding our enemies. The vast quantities of goods that moved across our borders were designed, in large part, for military use. In short, international trade has been an instrument of war. The question that we now must answer is whether it is to be a casualty of war.

These years have spawned a multitude of new controls. Exchange restrictions have become world-wide. Persons selling abroad have been required to turn their foreign moneys over to their governments. Persons buying abroad have been forbidden to make payments without the express permission of their governments. Quantitative controls, that is, import quotas and export quotas, have governed the movement of goods across national frontiers. Persons desiring to import or to export have been compelled to obtain licenses from the control authorities. In many cases, instead of licensing private traders governments have set up public agencies to handle a large part of their foreign trade. Agreements to barter goods for goods have taken the place of free markets. The regimentation of the world's commerce has become virtually complete.

Where do we go from here? The immediate prospect is not a pleasant one. The sad fact is that the world is geared, right now, to continue economic warfare, using the full panoply of weapons developed in the thirties and sharpened during the war. Neither we nor our neighbors have to learn the game: we know how to play it; we are organized to play it. Economic distress, suspicion, and recrimination can perpetuate it. The larger countries, especially the United States, Great Britain, and the Soviet Union, have merely to tighten their hold on the regions to which they have easy access and, perhaps, to capture other areas through exclusive contracts, discriminatory arrangements, and barter deals. If this were to happen—as it easily might—the world, instead of being drawn together through economic intercourse, would be split asunder into competing economic blocs. This is not the way to prosperity. It is not the way to peace.

What is the alternative? It is economic freedom, in the best sense of the word. Economic freedom, in international relations, means the unhampered transfer of money between countries. It means stable exchange rates. It means that barriers to the movement of goods across national boundaries will be few and small. It means that nations will not discriminate among their neighbors when they control their trade. We can hardly expect, in a world so long and so tightly bound by restrictions, that the elements of economic freedom can be realized overnight. But we can move toward freedom. And every step that we take in that direction will be a gain.

A world of economic blocs would be a sorry place in which to do business. Export and import programs would have to be made out in advance and negotiated with other countries. Export and import allocations would have to be assigned to individual traders. Licenses would have to be obtained for individual transactions. A vast bureaucracy would have to be set up to keep the records and police the regulations. The businessman, instead of buying and selling whatever he chose, at the time and the place and the price that he chose, would have to fight his way through a maze of controls. If we desire to stimulate individual initiative, if we seek to realize the advantages of private enterprise, we will not entangle the nation's traders in red tape.

A world of economic blocs, moreover, would be an unhappy world for the consumer. Restrictionism, even on a regional basis, could contribute little to planes of living. To the extent that the countries within a bloc might specialize, according to their particular capacities, and engage in trade with one another, they would be better off than they would have been without any trade at all. But they would be worse off than would have been the case if all of them had traded freely with the other nations of the world. It is likely, too, that the dominant country in any bloc would seek to drive hard bargains, keeping the terms of trade in its favor and requiring its satellites to produce according to its advantage rather than their own. Output and income would thus be lower than they otherwise might be.

But more important than these considerations is the fact that a world of economic blocs would tend to become a world of political and military blocs. Regions that declared economic warfare on the rest of mankind would have to bind themselves more tightly together for their own protection. And they would have to prepare themselves to meet force with force. The best that could be hoped for would be an uneasy truce. If the new world is to be divided in trade, it cannot be united in security.

In contrast, the benefits of international economic freedom are clear. It stimulates individual initiative and lets down the barriers to private enterprise. It promotes the geographic division of labor, permitting each country to produce those products for which it is best fitted, thus increasing the output of industry and raising planes of living throughout the world. It brings the peoples of different lands together, gives them an oppor-

tunity to know each other, and encourages them to cooperate for the common good. Stability and security are manifestly more attainable in a world united in plenty than in a world divided in want. Economic freedom makes for prosperity; it makes for peace.

What is needed, and needed now, is the stabilization of exchanges, the removal of exchange controls, the reduction of tariffs and other barriers to trade, the elimination of discriminations, and the uprooting of restrictive arrangements, private as well as public, so that people everywhere can begin to reap the harvest of increased world trade.

If these steps are to be taken, the United States must seek the cooperation of the other nations of the world. It would avail little for this country to conduct her own trade according to liberal principles if others among the major trading nations did not do likewise. But if we act in time they may well be persuaded to do likewise. Our influence is great. The United States, today, is by far the largest factor in the trade of the world. We are the greatest producer on earth, and the rest of the world is in desperate need of our goods. We are the only important lender on earth, and the rest of the world is in desperate need of our loans. Now, for a moment, we have been given the opportunity to lead the world toward expanding trade, toward plenty, and toward peace. If we do not seize it, it may never come to us again.

The people of this country are agreed, I think, that we should take this leadership. But we are not so clear as to the practical steps that are needed to make our leadership effective.

Those steps must approach the economic problems of a troubled world: the distress of many millions of people, the destruction, over wide areas, of the means of production, the loss, by many countries, of their power to earn foreign goods. Only as these pressing problems are put in the way of solution can we count on general acceptance of liberal principles of trade.

The economies of the war-torn countries of the world are going to be rebuilt. And we want to see them rebuilt, for humanitarian reasons, for economic reasons, and for reasons of political stability. But we do not want to see them rebuilt in the pattern of autarchy. It is in our interest, as well as theirs, that they be restored as integral parts of a world economy.

We in the United States have taken long steps in the direction of the kind of a world that we want to see. We are the largest single contributor to UNRRA, whose job it is to relieve immediate distress. Congress has enlarged the capital of the Export-Import Bank; it has increased the President's authority under the Trade Agreements Act; it has authorized our membership in the International Monetary Fund; it has approved our joining the International Bank for Reconstruction and Development. These are important steps, and they start us off on the right road. But they do not go far enough.

First of all, we must give some thought to the present position of our partners in arms. Great Britain has not yet accepted the International Monetary Fund, and the other countries whose currencies are dependent on the pound are waiting to see what she will do. This means that half of the trade of the world is now conducted in currencies which are not freely convertible into dollars. The world of commerce is split in two; it cannot be made one until Great Britain sees her way clear to accept the rules of non-discrimination which the Fund lays down. To bring this world together would be one of the main purposes of the extension to the United Kingdom by the United States of the line of credit which is now under discussion in Washington.

The reasons for the present financial difficulties of Great Britain are not difficult to see. Since 1939, she has devoted all of her resources to war. Her foreign assets have been sold; her foreign debts have grown; her commerce has been sacrificed. Her import needs are heavy, both for reconstruction and for the means of daily work and life, and they cannot wait until reconstruction is complete. Emergency financing is needed to help her over the hump.

For the longer future, Great Britain is a good financial risk. She has productive power, business reputation, commercial skill, and strong political and economic ties with many countries of the world. Given a grubstake, she can rebuild her economic life and join us in an effort to reconstruct the commerce of the world on liberal lines. Without emergency financing, she would have to draw in her belt, continue her controls, and try to perfect an exclusive trading system based on a sterling bloc. Her action would almost certainly be interpreted, in this country, as a challenge to an economic war.

If the United States took up the challenge, we would have to spend a good many billions to pull together and to hold the members of a dollar bloc. We have the power to do it, and there is no doubt that we could succeed, but to what end? The division of the world into contending blocs would be a tragedy for us, for Britain, and for every nation on earth. To prevent it, we and others should do everything we can. That is why we are considering the extension of credits to our Allies.

Financial measures are required by the emergency. But they cannot suffice to solve the long-run problems of world trade. They can only help to make solutions possible. If the peoples who now depend upon relief are eventually to become self-supporting, if those who now must borrow are eventually to repay, the world must be freed, in large measure, of the barriers that now obstruct the flow of goods and services. This is the final step that must be taken. This is the keystone that must be put into place if the arch is to stand.

In preparation for this task, a large staff, drawn from many of the departments and agencies of the Federal Government, has been at work for many months, developing a series of detailed proposals for the expansion of world trade and employment, to be laid before the people of this country and the other peoples of the world. The general character of these proposals was outlined, last Friday night, in a speech in Charleston, South Carolina, by the Secretary of State. I read now from that speech:

"We intend to propose that commercial quotas and embargoes be restricted to a few really necessary cases, and that discrimination in their application be avoided.

"We intend to propose that tariffs be reduced and tariff preferences be eliminated. The Trade Agreements Act is our standing offer to negotiate to that end.

"We intend to propose that subsidies, in general, should be the subject of international discussion, and that subsidies on exports should be confined to exceptional cases, under general rules, as soon as the period of emergency adjustment is over.

"We intend to propose that governments conducting public enterprises in foreign trade should agree to give fair treatment to the commerce of all friendly states, that they should make their purchases and sales on purely economic grounds, and

(Continued on page 874)

Effect of the Wool Market on Foreign Economic Relations

*Statement by ASSISTANT SECRETARY CLAYTON*¹

In your statement opening these hearings, Mr. Chairman, you said one thing which I should like to underscore:

"Heretofore we have attacked this problem by the restriction of production if not by the actual destruction of the commodities themselves and this has been done in the face of the acknowledged fact that by far the great majority of the people of the world are still unable to purchase the commodities which they need to maintain a decent standard of living. The State Department in its negotiations with foreign countries may well consider ways and means of urging foreign governments to stimulate living standards abroad so that the United States will not be called upon to continue to absorb world surpluses to the disadvantage of American producers."

I am not sure that I am altogether in agreement with some of the possible implications of the last few words that I have quoted from your statement, but with its general tenor I can assure you that the Department of State is in full agreement. Only last Friday night the Secretary of State in an address at Charleston, South Carolina, referring to the principles of commercial policy which we want to see applied by all nations in the post-war world said:²

"They [these principles] are based on the conviction that what matters most in trade is not the buttressing of particular competitive positions, but the increase of productive employment, the increase of production, and the increase of general prosperity.

"The reasons for poverty and hunger are no longer the stinginess of nature. Modern knowledge makes it technically possible for mankind to produce enough good things to go around. The world's present capacity to produce gives it the greatest opportunity in history to increase the standards of living for all peoples of the world.

"Trade between countries is one of the greatest forces leading to the fuller use of these tremen-

dously expanded productive powers. But the world will lose this opportunity to improve the lot of her peoples if their countries do not learn to trade as neighbors and friends. If we are going to have a real people's peace, world trade cannot be throttled by burdensome restrictions."

It is on this common ground of desire to promote conditions of prosperity both at home and abroad that I am glad to discuss with this Committee the problems which you are considering. The interests of the Department of State in the questions before the Committee are in general those which relate to the foreign economic relations of the United States. As I have said, a major objective of our foreign economic policy is the expansion of international trade as a means of facilitating increased production and rising standards of living in the United States and other countries. The Department is therefore concerned that all policies affecting United States foreign trade, including those relating to foreign trade in individual products, should be consistent with our broad general program of expansion.

Over a longer period of years the United States has been one of the world's largest importers of wool. During the war, large stocks of wool have accumulated in the countries producing for export. Policies which affect our importation of wool are, therefore, an important phase of our foreign economic relations generally, and one in which the Department of State has a vital interest.

Earlier testimony has already brought out the fact that in the United States, early in the war, contracts for wool goods for the armed forces provided a premium for the use of domestic wool. At that time there was danger that Australia and New Zealand would be cut off as sources of supply, and it was considered wise to stimulate domestic wool

¹ Made before the Senate Special Committee To Investigate Production, Transportation, and Marketing of Wool in the United States, Nov. 21, 1945.

² BULLETIN of Nov. 18, 1945, p. 785.

production. Prices of domestic wool, as a consequence of these premium payments, rose above the duty-paid import prices of foreign wool. Ceiling prices on domestic wool were established in 1942 by the Office of Price Administration after this spread between the price of domestic and duty-paid foreign wool had developed.

Because the Commodity Credit Corporation wool-purchase program, which began April 25, 1943 and is currently scheduled to continue through June 1946, maintains prices of domestic wool at this ceiling, mills are now buying foreign wool almost exclusively to produce goods for the domestic market. The Corporation is therefore accumulating in its stocks practically all of the domestic wool output.

There is no doubt that a program is urgently needed at this time which will enable domestic wool to move into the domestic market in competition with imported wool. Further, there is the long-run problem of determining the minimum requirements of domestic wool production in the United States for national security.

The methods which have been proposed to make domestic wool available to the domestic market and maintain a minimum level of wool production fall into two broad categories. The first category includes measures to adjust prices of foreign wool in this country upward toward the support prices of domestic wool by extending controls over wool imports through an increase in the import duty, the establishment of import quotas, or the importation of foreign wool by a government agency. The second category includes measures which would enable domestic wool to be sold to domestic mills at prices competitive with the duty-paid import prices of foreign wool.

The basic objection to measures falling in the first category is that they all require the erection of new barriers to international trade at a time when it is of the utmost importance that the United States carry out the mandate which the people have given to the President through a series of acts of Congress to pursue vigorously a program for expanding world trade through the reduction of such barriers.

The imposition of restrictive import quotas or importations through a government agency would have much the same result as an increase in the import duty on wool above the present basic rate of 34 cents per clean pound. Any one of these measures would therefore fly directly in the face

of the strong efforts which we are making to persuade other countries to join with us in knocking down the network of trade barriers which was strangling foreign trade of all countries, including that of the United States, in the years just preceding the war. If we want to achieve that level of prosperity at home and abroad to which the Chairman of this Committee referred, we cannot ourselves take the lead in building up new barriers to trade.

In his address to which I have already referred, the Secretary of State indicated that we shall shortly submit to the peoples of the world our views about these matters, and that we intend to propose that tariffs shall be reduced and tariff preferences be eliminated. An increase in one of our major tariff rates would be contrary to everything we are trying to do to open up the channels of international commerce.

Quotas have been one of the greatest obstacles to American exports that our trade has encountered. Their effects have been far more restrictive than have the tariffs of foreign countries. They are generally discriminatory in effect owing to the virtual impossibility of allocating quota shares to the exporting countries on an equitable basis. The Secretary of State, in his address, indicated that we intend to propose that commercial quotas and embargoes be restricted to a few really necessary cases and that discrimination in their application be avoided.

State trading, except in time of war, is utterly alien to the American way of doing business. While we do not intend to try to dictate what economic systems other countries shall have, I am sure the American people would not look with favor upon the substitution of public enterprise for private enterprise in this country. For those governments that do conduct public enterprises in foreign trade, we intend to propose that they should be operated so as to give fair treatment to the commerce of all friendly states, that they should make their purchases and sales on purely economic grounds, and that they should avoid using a monopoly of imports to give excessive protection to their own producers.

For these reasons the Department hopes that this Committee will seek measures which will enable domestic wool to compete with foreign wool in the domestic market at the duty-paid import price. To the extent that these measures may require appropriation of funds from the Federal

Treasury, such expenditures should properly be regarded as a part of the cost of the war and of future national security.

The question at issue here is not whether there shall be a subsidy, but what kind of a subsidy there shall be, who shall pay it, and how much it will cost. Tariffs or other controls over imports have the purpose of increasing the price of wool in the domestic market above the world price, and thus they constitute a subsidy to the domestic producer in that his return is higher than he would otherwise receive from the sale of the product. The difference is that, if imports are restricted, the consumer pays the subsidy on all the wool consumed whether domestically produced or imported, whereas in the procedure I have favored, the subsidy is paid by the taxpayers but only on that part of domestic consumption which is domestically produced. This would appear to be a more equitable way of allocating the cost of the subsidy required to maintain the domestic production of wool at a level which is deemed, as a matter of public policy, to be in the national interest.

If we use the method of selling the domestic

clip at the duty-paid import price, there must be assurances that the world price will not be depressed unreasonably by policies followed in liquidating the stocks which have accumulated during the war. This Government is therefore prepared to urge upon those countries which hold large stocks that the United States and other importing and exporting countries participate in the formulation of decisions governing liquidation policy.

Our Government is now making a frontal attack on barriers to world trade. If we erect further barriers, that action would be interpreted by all nations as evidence of lack of faith in our own policies. The reestablishment of trade patterns cannot be long delayed. Unless there is a general reduction of barriers soon, countries may be forced further to entrench themselves behind protective walls while they reconstruct and expand uneconomic industries in order to attain greater self-sufficiency. It is therefore the hope of the Department of State that the action taken by this Committee will be consistent with the foreign economic policy of this country which is directed toward the expansion of world trade.

Meeting of Preparatory Commission of the United Nations

FINAL MEETING OF EXECUTIVE COMMITTEE

[Released to the press by the Preparatory Commission of the United Nations October 27]

The Executive Committee of the Preparatory Commission of the United Nations whose 14 members have been meeting at Church House, Westminster, since August 16, 1945, completed its work on October 27. A final report was approved containing recommendations and proposals that are going forward to the Preparatory Commission. It was decided that the Preparatory Commission should meet on November 23 and decide on convening the first meeting of the General Assembly between January 2 and 7.

At the close of the October 27 meeting, the Chairman, Mr. Adlai Stevenson (United States), said in a farewell speech that yet another important milestone in the history of the United Nations had been passed. Although there had been disagreements in the Executive Committee, just as at Dumbarton Oaks and San Francisco, unanimous agreement had been reached on 90 percent or more

of the final report, including its most important provisions. The members of the Committee had gone on broadening the area of agreement and in the process they were learning to understand each other better. The way to collaborate was to collaborate; this had been done and he believed that this would also in the future be done.

M. Gromyko (Soviet Union) said that the Soviet Delegation had done its best to help prepare the useful and necessary recommendations for the Preparatory Commission, the General Assembly, and other main organs of the United Nations.

The Executive Secretary, Mr. Gladwyn Jebb, replying on behalf of the secretariat, said that some part of their success was due to the fact that they had managed to provide the Executive Committee with a secretariat which had some kind of team spirit. He hoped that this team spirit would transfer itself to the future international secretariat.

Report on Second Meeting of Rubber Study Group¹

[Released to the press November 24]

1. The second meeting of the Rubber Study Group which was established in 1944 by the Governments of the Netherlands, the United Kingdom and the United States to discuss common problems arising from the production, manufacture and use of rubber took place in London between November 19 and 23 inclusive. As announced on November 19, France has joined the Group. Mr. George Archer, Under Secretary of the Raw Materials Department, Ministry of Supply, presided over the Meeting. Mr. Donald D. Kennedy, Chief of the International Resources Division, Department of State, the leader of the U.S. Group, acted as vice chairman. The French Delegation was led by M. Peter, Director for Economic Affairs, Colonial Ministry, and the Netherlands Delegation by Mr. Westermann, Trade Commissioner for the Netherlands Indies in London.

2. Further studies of the prospective world rubber situation were presented to the Group on behalf of the participating governments. These included the latest information on the United States synthetic industry and such reports as have become available on conditions in the Far East since the liberation of the rubber producing areas.

3. United States capacity for the production of general and special purpose synthetic rubber is now about 1,055,000 tons per annum and total world capacity may be estimated at 1,300,000 to 1,400,000 tons. Preliminary reports from Indo-China indicate that there has been no damage to trees on rubber estates and that in Malaya not more than ten percent of the trees have been destroyed during the Japanese occupation. No reliable information is as yet available from the Netherlands Indies. Discussions took place on the measures being taken to rehabilitate the natural rubber producing areas. In view of the disturbed political conditions, the severe shortage of labor, equipment, food and other consumer goods and the disrupted transportation system which will require extensive repair and reequipment, any figure of the future rate of production must remain conjectural for some time to come. Stocks in various parts of the Far East at the time of liberation

were estimated to be from 200,000 to 300,000 tons but it is not known how much of these will actually be assembled and shipped. The Group, while emphasizing the tentative nature of any conclusions, suggest that supplies of natural rubber becoming available in manufacturing countries from all areas of the world including the Far East during 1946 might reach approximately 600,000 tons.

4. Looking to a longer period the Group saw no reason to modify the conclusion reached at its first meeting, namely that "Actual production, if required of the natural rubber areas of the world, could rise in three to four years to an annual figure in the neighborhood of 1,500,000 tons of rubber." This gives a total world potential capacity of natural and synthetic of about 2.7 to 2.8 millions tons though it should be stressed that actual production will probably not approach such figures.

5. The estimate made at the first meeting of the amount of rubber likely to be processed and consumed in the next few years put the figure at a maximum of 1,500,000 tons annually of all types of natural and synthetic rubber. The Group after full consideration felt that this remained a reasonable estimate. As previously stated, this estimate depends on the maintenance of a high level of economic activity in consuming countries, but assumes that there will be no sudden large development of the uses of rubber. The long-term trend of consumption is expected to continue upwards.

6. The disequilibrium between the productive capacity of the world and its demands for consumption which was foreseen at the first meeting is therefore still contemplated by the Group as a possibility in the course of two or three years. Discussions at the Group meetings suggest that there will be a range of uses for which natural rubber may be better suited than synthetic and another range in which synthetic may be preferable to natural. Between these, however, there may well be a large area in which satisfactory results may be expected from either form of rubber and where manufacturers are likely to be guided in their preference by the relative costs of the raw materials of processing and of the performance of the end products.

7. As regards costs, information discussed at

¹ Released simultaneously in London and Washington.

(Continued on page 872)

United States Policy on the Treatment of Germany

Address by JAMES W. RIDDLEBERGER¹

[Released to the press November 24]

I. The Formulation of Policy

A. How Policy Has Been Made

The basic objectives of the United States Government with respect to Germany may be broadly stated. They have been, first, to effect the unconditional surrender of Germany and the destruction of its military power, and, second, to insure that Germany shall not again become a menace to American security or to the peace of the world.

The elaboration of policies designed to achieve these ends has been a continuing process from Pearl Harbor to the present and is still going on. Today, six months after Germany's defeat, when the need for some degree of secrecy concerning policies still a subject for negotiation with our Allies is greatly lessened, it is possible and desirable to make a clear and specific statement of American policy. This policy has been worked out by progressive stages and modified to meet changing conditions. Of necessity, the short-range aspects of policy have heretofore had priority, those concerned with the defeat of Germany and the elimination of the immediate peril of a lawless, militaristic and economically powerful state. But now the emphasis is shifting to long-range policies, those concerned with the kind of Germany which we and our Allies will permit to arise in the future. This problem offers much greater opportunity for divergence of opinion and for conflicts of national interest, yet a solution is fundamental if the war shall not have been fought in vain. The defeat of Germany and the destruction of its immediate military might were complete in 1918, yet within 20 years a power even more menacing had emerged. Long-range policy today involves such a direction of German affairs as to insure the permanent eradication of those evil forces within Germany that have twice made the Reich a threat to civilization. The new Germany must possess neither the will nor the power to make war and

must be assimilable to the general community of peace-loving and law-abiding states.

This Government and, more particularly, the Department of State has often been accused of having no German policy. There has developed, however, a coherent and cogent body of policy, not perfect or complete, nor satisfying to all proponents of varying theses on "what to do with Germany", but adequate to deal with the succeeding phases of the German problem as they have emerged. The German problem is central to the whole problem of peace in Europe and world security and it is natural that strong passions have been aroused by its consideration. The profound interest of the American people in this vital issue is a measure of their awareness of its gravity. The Government has been aware of the existence of conflicting yet sincere convictions held by many groups and individuals concerning the treatment of Germany and has endeavored to make its announced policies conform as well as possible to the consensus of informed opinion. It has also been necessary to formulate policy to cover unforeseeable situations. The making of policy has been at all times and stages closely coordinated with the known policies of the other Allied powers with respect to Germany. An effective policy concerning Germany must be a joint policy. The necessity of maintaining Allied unity has been held to be of primary importance.

Since early in 1942 the State Department, in conjunction with the War and Navy Departments, the Joint Chiefs of Staff, and other interested official agencies, has been active in formulating policy directives dealing with every foreseeable contingency that might arise in our dealings with Germany, both before and after surrender. The guiding principles of policy were provided in a

¹ Delivered before the University of Kansas City and the Kansas City Council on World Affairs in Kansas City, Mo., on Nov. 24, 1945. Mr. Riddleberger is Chief of the Division of Central European Affairs, Office of European Affairs, Department of State.

number of presidential declarations. In these statements, President Roosevelt proposed the complete destruction of Prussian militarism and the military caste, of the Nazi regime and all its institutions, and the eradication of the Nazi concept of a master race. German power to make war was to be eliminated. There must be "stern punishment for all those in Germany directly responsible for this agony of mankind". The German people, once shorn of their power for evil, were not to be enslaved or permitted to starve, but were to be enabled to "earn their way back" into the confidence and fellowship of peace-loving nations. "We wish them to have a normal chance to develop in peace, as useful and respectable members of the European family."

These principles were incorporated into joint statements of the "Big Three", specifically in the Yalta declaration of February 12² and the Potsdam declaration of August 2, 1945.³

Within this general framework of policy, the Department of State together with other appropriate agencies worked out a series of directives to govern the action of our military commanders in Germany and for joint application, if possible, by all occupying powers. Much of the substance of these directives was the result of investigation and discussion by committees within the Department and of special interdepartmental committees. The chief agency, prior to German surrender, for coordinating Allied policy in Germany was the European Advisory Commission, created by the Moscow Conference of November 1943. Its chief achievement was the formulation of surrender terms for Germany, the determination of zones of occupation, and the creation of control machinery for enforcing all requirements imposed upon the Reich.

The over-all policy statement on Germany, formulated in its definitive form in April 1945 after various revisions by the State, War, and Navy Departments, was the so-called "JCS 1067". This document includes a statement of general objectives and specific directions concerning the military, political, economic, and financial treatment of Germany.⁴ It was and is the master directive

to General Eisenhower on the treatment of those portions of Germany under American jurisdiction, and constitutes a basic assertion of U.S. policy to be urged upon the other occupying powers for common agreement. Although superseded in certain respects by the Potsdam declaration, it remains the most comprehensive statement of American policy as now applied in Germany.

A further statement of Allied policy is the Agreement on Additional Requirements to be Imposed on Germany, negotiated in July 1945 and supplementing the formal surrender terms.⁵

B. Our Present Policy

The policy of this Government as progressively designed to achieve our objectives in Germany may now be summarized. This policy, in fact, constitutes an immense body of specific decisions and agreements on innumerable aspects of German affairs. These reflect both the highest policy considerations and the expert knowledge of many specialists who have examined all phases of the German problem. It is a fixed and definite policy in that it accords in all aspects with paramount governing aims and principles but is sufficiently flexible to permit modification in detail as new situations arise. It is believed that it is eminently a practical policy, one that represents a balance between extremist and unworkable solutions and thus offers the greatest prospect of tangible achievement.

OBJECTIVES

The objectives of American and Allied policy with respect to Germany were reasserted in the Potsdam declaration. German militarism and Nazism are to be extirpated and all essential measures taken "to assure that Germany never again will threaten her neighbors or the peace of the world." At the same time, "It is the intention of the Allies that the German people be given the opportunity to prepare for the eventual reconstruction of their life on a democratic and peaceful basis. If their own efforts are steadily directed to this end, it will be possible for them in due course to take their place among the free and peaceful peoples of the world."

FRONTIERS

The frontiers of Germany are for the present to be considered as those of January 1, 1938 (prior

² BULLETIN of Feb. 18, 1945, p. 213.

³ BULLETIN of Aug. 5, 1945, p. 153.

⁴ BULLETIN of Oct. 21, 1945, p. 596.

⁵ BULLETIN of Oct. 7, 1945, p. 515.

to the first forcible annexation of territory by Hitler). For purposes of occupation and control, the former German territory lying east of the Oder and Neisse Rivers is not to be subject to the four occupying powers but is under the administration of the Polish state (except for the Königsberg district of East Prussia, which is under Soviet control). Although there is a strong presumption that these eastern areas will be permanently detached from Germany, the final determination of German frontiers is left to the definitive peace settlement. Austria is to be permanently detached from the Reich and constituted as a free and independent state.

TRANSFER OF GERMAN POPULATIONS

In order to minimize future dangerous minority problems, the necessity for the transfer to Germany of "German populations, or elements thereof" from Poland, Czechoslovakia, and Hungary is recognized. Such transfers are to be "effected in an orderly and humane manner", by agreement between the powers controlling Germany and the states concerned.

OCCUPATION AND CONTROL OF GERMANY⁶

For purposes of occupation and control Germany is divided into four zones. For coordinating policy in all zones and determining policy on matters affecting Germany as a whole, a Control Council is established at Berlin, composed of the Commanders in Chief of the four occupying powers. Decisions of the Council must be reached by unanimous vote. Complete authority over Germany in all respects is assumed by the occupying powers and exercised by them in their zones through their respective commanders and jointly through the Control Council. Greater Berlin is also zoned and governed by a joint Allied authority. The occupation and control of Germany is to last as long as may prove necessary for the accomplishment of Allied purposes.

TERRITORIAL AND ADMINISTRATIVE STRUCTURE

Germany is to be maintained for the present as an entity, but the administration of affairs is to be directed toward the "decentralization of the political structure and the development of local responsibility." Present developments indicate clearly that Prussia is to be broken into a number of autonomous states and that most of the other

states will probably survive in modified form as constituent units of a new federal union.

DEMILITARIZATION

Germany is to be completely deprived of military power, both actual and potential. All armed forces, military and para-military organizations are to be abolished and prohibited. All arms, ammunition, and implements of war are to be destroyed or placed at the disposal of the Allies. No future production of war materials is to be permitted. Those sectors of German economy directly related to war production are to be eliminated or controlled. Every type of national activity which might be directed toward preparation for future war is to be placed under Allied surveillance.

DE-NAZIFICATION

The National Socialist Party and all its affiliated organizations are to be dissolved and their revival in any form prohibited. All laws fundamental to the Nazi regime or embodying its theories are to be abrogated. All active party members and all Nazi supporters or sympathizers are to be excluded from public office or posts of influence in civic, economic, or cultural life. Certain categories of Nazi leaders and other persons dangerous to the occupation are to be placed under security arrest. All party property is to be held for ultimate disposition by the occupation authorities. Every precaution is to be taken against a revival of Nazi ideas or institutions, and the fact of Nazi responsibility for the war and its disastrous consequences for Germany is to be brought home to the German people in forceful fashion.

WAR CRIMINALS

Suspected war criminals and all who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes are to be arrested and brought to judgment. Persons charged with offenses against any of the United Nations are to be apprehended and brought to trial at the scene of their crimes and under the laws which they have violated. Those charged with more general offenses against the law and comity of nations are to be tried before Allied tribunals.

⁶For texts on arrangements for control of Germany by Allied representatives, zones of occupation, and control machinery in Germany, see BULLETIN of June 10, 1945, p. 1051, and Aug. 19, 1945, p. 275.

ECONOMIC AND FINANCIAL CONTROL

The economic and financial life of Germany shall be subjected to such controls as may be considered essential to the attainment of Allied objectives. Germany under occupation is to be treated as a single economic unit and common policies established. German economy is to be systematically decentralized "for the purpose of eliminating the present excessive concentration of economic power as exemplified . . . by cartels, syndicates, trusts and other monopolistic arrangements." Reconstruction of German industry shall be permitted only to the extent necessary to meet the requirements of the occupation and to sustain a German economy oriented to peacetime production. For the present the German standard of living shall not exceed the average standards of western continental Europe.

Germany is not to be "pastoralized" or de-industrialized under existing directives. But agricultural output is to be maximized, and Germany's war potential, which lies mainly in heavy industry, is to be reduced to the lowest point compatible with a healthy and self-sustaining economic life.

REPARATIONS AND RESTITUTION

Germany is to make full restitution of looted property or its equivalent. It shall make compensation in kind for damage caused by Germany to the Allied nations during the war to the fullest possible extent. Reparations claims of the U. S. S. R. and Poland shall be met by removals from the eastern zone and from external assets; claims of other countries are to be met from the western zones and external assets. In addition certain amounts of surplus German capital equipment from the western zones over and above the needs of the German peace economy are to be awarded to the Soviet Government.

Reparations requirements are designed to effect the speediest possible rehabilitation of areas devastated by German arms, but not to impose long-term financial servitudes on Germany which might prove unenforceable and a barrier to the revival of world trade.

GERMAN ADMINISTRATION

All phases of German public administration shall be under the control of the Allied authorities, and there shall exist, for the time being, no

central German Government. But it is our policy, increasingly so at present, to reestablish German administrative agencies, first at the local and later at higher levels, manned by persons "who, by their political and moral qualities, are deemed capable of assisting in developing genuine democratic institutions in Germany." It was agreed at Potsdam that a few essential central German administrative departments should be established, particularly in relation to vital economic services. German authorities are to the fullest extent practicable to proclaim and assume administration of essential economic controls. The practice has been, in general, to revive pre-Nazi organs and units of administration, including courts of law and judicial agencies. Administration is directed toward the lasting decentralization of Germany's political structure and the maximum assumption of local and regional responsibility. All institutions of distinctively Nazi inception or character are to be abolished.

POLITICAL ACTIVITIES

At the earlier stages of the occupation of German territory, security reasons dictated rigid restraints upon freedom of speech and of the press, assembly, party, and trade-union activity. Hence also the ban on fraternization.

When German defeat was complete and the disarmament and de-Nazification of the Reich were largely achieved, policy was modified accordingly. It is now the aim of this Government and of the Allies to effectuate such an indigenous revival of political life in Germany as may establish the foundations of a free, democratic society and eradicate once for all the reactionary political and social forces which have made Germany a menace to the world. It is therefore the present policy of the Allies to encourage the resumption of free political and trade-union activities with a view to an early restoration of representative government based upon free speech, press, and assembly.

It is this Government's conviction that the only enduring insurance against a revival of the German threat is such a transformation of German society as will eliminate those reactionary, ultra-nationalistic forces which have dominated the German state for nearly a century, and give free rein to the democratic, law-abiding, and peace-loving elements of the German people. Only a Germany cleansed from within can become an abiding bulwark of peace in the world.

REEDUCATION

It is recognized that a paramount necessity for the pacification of Europe will be the psychological disarmament of Germany. This is fully as imperative as the destruction of German military power. If the will to war persists it will break through any fetters which we may impose. To this end every medium for influencing German thought and opinion is to be controlled, including the schools, press, radio, movies, and all informational agencies, so as to prevent the further dissemination of Nazi or militarist doctrines. A co-ordinated system of control over German education is to be established designed to make possible an affirmative program of reorientation and the successful development of democratic ideas. Here again, as in political life, the task, although closely supervised by the Allied authorities, must be undertaken by the Germans themselves. Hitler's power was due in large measure to his conquest of the German mind. Our task will be to facilitate the conversion of German thinking to the ethics of a humane and Christian civilization and the development of the finer elements of Germany's own cultural tradition.

RELIGION

Freedom of religion and of religious institutions is to be permitted, subject to the requirements of military security. The question of the existence or control of denominational schools and of religious instruction is to be left to the decision of the German people as democratically determined.

II. The Application of Policy

A. Difficulties in Application

This outline of our policy for dealing with Germany must make apparent the tremendous difficulties of the task we have undertaken. Not only are we committed to the destruction of the Nazi-militarist system but we must also exercise for a time full authority over the German state and every aspect of German life. We must assure that the new Germany shall be so completely transformed as never again to menace the peace of the world. And as Germany is the heart of Europe so the task of controlling and reforming it involves far-reaching responsibilities with respect to the entire European settlement.

The difficulty of the undertaking is magnified enormously by the utter destruction wrought within Germany in the last phases of the war so sense-

lessly prolonged by hopeless Nazi resistance. We have taken over a bankrupt concern, a nation whose political and economic system has almost completely disintegrated and which is a cultural and spiritual desert. The material basis for an ordered existence scarcely exists. Most of Germany's once thriving cities lie in ruins. German economy now operates at only a small fraction of its normal capacity. Millions are without homes, and additional millions of refugees and displaced persons must be cared for. Problems of food, clothing, shelter, fuel, and health are extremely urgent with the approach of winter, and must be met if wide-spread disease, epidemics, and starvation are to be avoided.

These facts are cited not to arouse sympathy for the plight of the German people—they have brought this catastrophe upon themselves—but to emphasize the obstacles which confront us at every step in carrying our German policy into effect. A policy which eventuated only in economic and social chaos could only thwart the constructive European settlement toward which we are working. There has been much pointless debate about a "hard" vs. a "soft" peace. The real problem is rather to find effective means for eradicating those evil forces and institutions, often closely interwoven with German public life, which represent the real danger, while at the same time enabling the German people to build anew and from new foundations a social and governmental structure dedicated to peaceful ends.

And we must always realize that this Government does not exercise sole power over Germany. That power is shared, and rightly, by the major Allied nations. We need not conceal the fact that differences have arisen and will arise in the application even of agreed policies. Despite such differences we have achieved together with our Allies a substantial measure of agreement on basic and determining policies and success in their joint application. Germany is a major test of Allied unity. And it is this Government's determination to work in close collaboration with the other states associated with us in the control of Germany and to surmount all difficulties inherent in an international solution of the German problem.

B. Negative Aspects

The occupation of German territory began about one year ago. Unconditional surrender occurred last May. At present the task of subduing Ger-

man resistance and establishing effective control over all German territory and all aspects of German public and private life is virtually complete. Germany is occupied in accordance with inter-Allied agreements, and complete authority is exercised through the Control Council and the respective zonal commanders. There remains no vestige of organized resistance nor of independent German authority.

Control machinery has been set up in Berlin and in the four zones and, for the most part, is operating smoothly. It cannot be claimed that full success has been achieved in the formulation of joint policies for all of Germany. Yet a considerable area of agreement has been reached, and progress is being made at the Control Council level and through intergovernmental negotiation toward decision on problems affecting Germany as a whole. There are some variations in zonal policies, but these relate primarily to ways and means of attaining the agreed Allied objectives for Germany and do not represent basic differences. Military government is certainly not above criticism, but, as Assistant Secretary of War McCloy has stated, it is being undertaken "often at great personal sacrifice, by able men of intelligence and good will, who are carrying out a thankless task under difficult conditions."

The German military establishment has been liquidated. Of six million members of the armed forces held by United States authorities, about three fourths have been disarmed and discharged or transferred to other zones. The German General Staff has been dissolved and full precautions taken against its reconstitution in any form. All German war material, installations, and equipment are under control; their destruction or disposal in accord with security requirements is under way. German war economy, according to General Eisenhower, is thoroughly demilitarized with no prospect of its restoration in the foreseeable future. All military or para-military organizations are dissolved and every manifestation of the military spirit effectively curbed.

The Nazi Party and all of its affiliated organizations have been dissolved and their revival prohibited. The exclusion of Nazis from posts of influence in civil administration is virtually complete, and considerable progress has been made in their elimination from economic life. By September 15 more than 100,000 Nazis and militarists

had been eliminated or barred from public office in the United States zone; 20,000 had been removed from business, finance, and education. Some quarter of a million additional names are being investigated. For the time being, at least, Nazism has been destroyed as a force in public life.

Moreover, persons considered dangerous to the occupation and to Allied objectives have been placed under arrest. These now include over 80,000 Nazis and many others of prescribed categories. Thousands are being held to face war-crimes charges. The trial of 20 of the outstanding Nazi leaders has now begun at Nuremberg.

The repatriation of foreign displaced persons has been a gigantic task. By October, five and a quarter million had been repatriated from the three western zones, with about one million yet to be disposed of. The care of these persons has been a major problem but has been met successfully despite immense difficulties relating to food, housing, transport, and medical aid.

The assimilation of Germans displaced from eastern areas offers an even more formidable task, but plans are being formulated for their reception. Probably four and one half million will need to be absorbed in the United States zone.

The related tasks of eliminating Germany's economic war potential and exacting reparations have necessarily proceeded slowly, as extensive surveys are essential to determine, in each zone, what plants and equipment are surplus above the requirements of a peace economy. The Allied purpose is not to loot Germany or to injure European economy, but to strike an even balance between the necessity for making Germany powerless for war while compensating the victims of German aggression, and such restoration of German economy as will assure the satisfaction of legitimate needs by German efforts. Germany must neither be a menace nor a burden to her neighbors.

At present, steps are being taken to achieve these ends. Industrial plants not readily convertible to peacetime purposes are being destroyed. In the American zone 15 surplus industrial plants have been dismantled for transfer abroad on reparations account. German coal production is being stimulated to meet the needs of creditor nations. Great concerns such as I. G. Farben have been taken over and are being diverted either to reparations needs or production of essential consumer goods. But for the most part the industrial

reconversion of Germany is still in the survey stage and will take time. Meanwhile the terrific devastation wrought by the war upon the German economy is adequate insurance against any immediate threat of revived war power.

C. Positive Aspects

Now that the immediate power of Germany for evil is virtually liquidated, the positive aspects of our policy are coming to the fore. It is no less important than the destruction of the Nazi-militarist regime so to direct German affairs that the new Germany that emerges will not constitute a menace even after occupation and direct control are terminated. The new regime must not only lack capacity for war; it must have a will for peace. Our job is not only to police Germany; it is to make possible the reform of Germany.

This Government is not under the illusion that Germany can be reformed from without. The Allied powers can only create conditions under which the task of regeneration can be undertaken by reliable and responsible Germans with some hope of success.

A most difficult and pressing problem today is the restoration of German economy to a point which will enable the German people to live without endangering their neighbors. The great need, as General Eisenhower has recently made clear, is not for imposing further curbs but for rebuilding to meet the most urgent needs if disaster not only for Germany but for Europe is to be averted. In the United States zone only 15 percent of the productive enterprises, other than agricultural, are operating, and their total output is only 5 percent of capacity. The gross national output of Germany is not more than 25 percent of the wartime level, while reserves of essential commodities are either low or non-existent. The black market is rampant and the threat of inflation and general economic collapse is imminent. With the further influx of refugees and the coming of winter, conditions will become even more critical.

We are endeavoring to combat the black market and stem the tide of inflation. Price and rationing controls are being maintained. All efforts are being made to maximize food production in the future, although for the present considerable imports of foodstuffs will be needed to avert large-scale malnutrition, disease, and starvation. Our plans call for breaking down the zonal barriers

which now obstruct the flow of commodities and make millions of Germans dependent on imported goods. The transport system has been largely rebuilt—over 80 percent of the railroads in the U.S. zone are now usable. Export-import controls are being devised to insure that Germany may again pay for essential imports and make reparations while not being in a position to gain a stranglehold over the economic life of other peoples. Production is being gradually revived in fields vital to occupation and peacetime needs but not dangerous to security.

The success of our de-Nazification program has enabled us to reestablish German administrative agencies from local to state levels. In the American zone administration now centers in three *Land* governments, Bavaria, northern Württemberg and Baden, and Greater Hesse. Responsibility is being progressively transferred to approved German officials and agencies, and it is probable that by next June all administration below the *Land* level will be in German hands. The judicial system has been purged and reorganized in accordance with civilized concepts of justice; over 100 district courts and 15 regional courts are now open in the U.S. zone. Moreover our success in rebuilding German administration and the failure of any organized resistance to the occupation to develop make it probable that military government may be terminated perhaps by next spring and replaced by supervisory civilian agencies.

With the revival of autonomous German administration, our Government believes it of urgent import that democratic political life be revived as speedily as possible. Hence we now sanction and encourage the formation of political parties, in accordance with the Potsdam agreement. Parties have now been formed in all large cities and in some smaller centers. In addition, trade unions are being encouraged to organize and steps are being taken to authorize the federation of labor groups so as to create a united German labor movement as one of the bulwarks against a revival of Nazism. Free elections for union officials and works councils are now authorized and have been widely held. It is now planned to hold elections for local government officials throughout our zone in January, to be followed later by elections for county, regional, and state officials and popular organs. Thus an autonomous and democratically

selected German administration will be created progressively from local to state levels.

The task of reeducation has been attacked on many fronts. All informational and cultural agencies are controlled—the press, radio, film and theater in particular. Our efforts have been directed toward the presentation of accurate and unbiased information to the German people. Army-controlled newspapers reach nearly 4,000,000 subscribers in our zone. A number of papers edited by licensed Germans have now attained wide circulation. As rapidly as possible it is planned to return information agencies to anti-Nazi and reliable Germans. School faculties have been purged and textbooks and curricula have been purified of Nazi-militarist taint. Elementary schools are generally open in our zone, as elsewhere in Germany, and enroll over 1,200,000 pupils. Secondary schools and universities are to be opened as rapidly as de-Nazification and material conditions permit. Religious freedom prevails, and every encouragement is extended to the churches to resume their normal activities. The problem of denominational schools is left to the decision of the various communities; many are now open in the American zone. A number of theological seminaries have been opened. It is hoped that the religious forces of Germany which offered perhaps the most consistent opposition to the Nazi regime during its period of domination will be a source of strength in the rebuilding of a Germany dedicated to humane and Christian principles.

Our educational policy has been criticized as too negative and lacking in positive content and purpose. But it has been felt unwise and impracticable to attempt to impose an alien program upon Germany. Our policy now is to insure that the whole mechanism of education and information control be ultimately transferred to trustworthy Germans and to give them free rein and encouragement in the work of moral, spiritual, and intellectual rehabilitation.

The achievement of our long-range objectives for Germany is inevitably a task requiring time and patience. But a substantial beginning has been made amid conditions of unparalleled difficulty. And certain decisions must wait upon the general European and world settlement. Of this nature are the questions of Germany's frontiers, of the permanent controls to be maintained over

Germany, and of Germany's position in the future international order. Even the question of the recognition of an independent German government must wait upon developments, perhaps for many years. But the guiding principles of our policy will remain the same: to insure against a resurgence of the German menace while reactivating constructive and democratic forces within Germany.

III. Facing the Future

Today, six months after the defeat of Germany, we have only begun our attack upon the German problem. We have encountered unparalleled difficulties in a task without precedent in history. A situation more critical than any yet faced may confront us this winter. The Department of State will be called upon to assume a greater share of responsibility for the administration of Germany; its officials are fully aware of the magnitude of the undertaking which lies ahead. The purely military phase is nearly ended and the period of peacetime reconstruction under civilian auspices is almost upon us.

In approaching its task, our Government will not lose sight of certain paramount considerations which link the German problem closely with our hopes of lasting peace. There are three that I would like to stress in concluding this review of our German policy.

We all recognize that one of the greatest threats to future peace would be the break-down of unity among the powers which have conquered Germany. The Nazis hoped for this, and today it remains the only hope of reactionary elements in Germany for the revival of German military power. We realize, too, that the most delicate aspect of this problem arises in the relations between the western powers and Russia.

At present Germany offers a test of cooperation among the major powers. We are committed, together with Russia, to a basic policy with respect to Germany which we believe to be sound. We are engaged in the joint application of this policy on German soil, in the heart of Europe, the meeting-place of east and west. Failure here would be tragic and might result not only in the revival of the German menace but in the division of Europe into rival spheres of influence.

We are determined, therefore, to maintain four-power unity in the control of Germany. This will involve a sustained uniform policy in all vital

matters, unified and integrated control machinery so long as necessary, and ultimate joint recognition of an approved and acceptable German government. Success in the joint control of Germany will establish a precedent of four-power cooperation which may facilitate the amicable solution of other problems which now vex international relationships. The administration of Germany is a practical enterprise. By overcoming the obstacles which must inevitably arise in the application of agreed policies and in the meeting of concrete situations, we shall build more firmly the structure of peace in Europe and in the world.

In facing immediate and emergent issues it is becoming clear that the crux of the problem is the economic treatment of Germany. Here we confront two dangerous alternatives. If, in our zeal to destroy German war potential, we effect too drastic a reduction of German economy, we may defeat our own purposes. If the Germany of the future is shorn of the means of subsistence or of making any constructive contribution to the well-being of Europe, there can be little prospect of the enduring pacification of the continent. The German people, desperate and embittered, could only become a breeding-ground for dangerous ideologies and movements. There would be no hope for the emergence of a democratic and peaceful regime. And Germany cannot be maintained indefinitely on the basis of a "soup kitchen" economy.

If, on the other hand, we hesitate to go far enough in eliminating the chief sources of Germany's military power, we may leave entrenched the same sinister economic forces which have menaced world security. Such a policy would certainly antagonize Russia, France, and other states more immediately exposed to German aggression. We would be open to the charge of building up a strong Germany as a bulwark against the Soviet Union.

Our policy must hit upon a practical mean between these two dangerous courses, with an eye both to present necessities and future risks. We shall endeavor to make a clearer distinction between that legitimate and viable peacetime economy predicated at Potsdam and a "war potential" economy. There must be a clearer specification of maximum reparations requirements. There will be no pampering of the Germans, but they

must be enabled to achieve reasonable standards of living with hope for a constructive economic future.

And finally we must face squarely the dilemma implicit in the political reconstruction of Germany. The old order which made nationalism its god and war its instrument must be permanently destroyed. But we cannot permit a political vacuum to arise; a new order must be created. And this we cannot do ourselves; only the Germans can do it. We must cultivate and strengthen those elements that have withstood the Nazi terror. As long as our control is essential to the complete liquidation of the old political order it must be maintained. But we must work incessantly to achieve our long-range purpose. We must render all possible encouragement and assistance to the democratic forces of Germany in their effort to effect a peaceful but enduring transformation of the German body politic.

Allied occupation cannot be permanent. The final test of our policy will come with our withdrawal. Germany must be so completely regenerated, politically, socially, and spiritually, that we can safely withdraw. We must have full assurance that the government which succeeds us is democratic and wholly dedicated to peaceful objectives. We must try to leave a Germany against which the world need not be constantly on guard, and fit to join with all law-abiding nations in the task of maintaining the common security.

Publication of "Trial of War Criminals"

[Released to the press November 20]

Extensive background of the international trial of major European war criminals, which opened on November 20 in Nürnberg, is provided in a pamphlet published on the same day by the State Department.

The document, entitled "Trial of War Criminals", reproduces essential portions of Robert H. Jackson's June 7, 1945 report to the President and the full texts of the Agreement for the Establishment of an International Military Tribunal, before which the accused are appearing, and of the Indictment.

The pamphlet is on sale by the Superintendent of Documents, Government Printing Office, for 20 cents a copy.

International Military Tribunal

OPENING ADDRESS FOR THE UNITED STATES OF AMERICA¹

— by —

ROBERT H. JACKSON

*Representative and Chief of Counsel
for the United States of America*

MAY IT PLEASE YOUR HONORS,

The privilege of opening the first trial in history for crimes against the peace of the world imposes a grave responsibility. The wrongs which we seek to condemn and punish have been so calculated, so malignant, and so devastating that civilization cannot tolerate their being ignored because it cannot survive their being repeated. That four great nations, flushed with victory and stung with injury, stay the hand of vengeance and voluntarily submit their captive enemies to the judgment of the law is one of the most significant tributes that Power ever has paid to Reason.

This Tribunal, while it is novel and experimental, is not the product of abstract speculations nor is it created to vindicate legalistic theories. This inquest represents the practical effort of 4 of the most mighty of nations, with the support of 14 more, to utilize international law to meet the greatest menace of our times—aggressive war. The common sense of mankind demands that law shall not stop with the punishment of petty crimes by little people. It must also reach men who possess themselves of great power and make deliberate and concerted use of it to set in motion evils which leave no home in the world untouched. It is a cause of this magnitude that the United Nations will lay before Your Honors.

In the prisoners' dock sit 20-odd broken men. Reproached by the humiliation of those they have

led almost as bitterly as by the desolation of those they have attacked, their personal capacity for evil is forever past. It is hard now to perceive in these miserable men as captives the power by which as Nazi leaders they once dominated much of the world and terrified most of it. Merely as individuals, their fate is of little consequence to the world.

What makes this inquest significant is that these prisoners represent sinister influences that will lurk in the world after their bodies have returned to dust. They are living symbols of racial hatreds, of terrorism and violence, and of the arrogance and cruelty of power. They are symbols of fierce nationalisms and of militarism, of intrigue and war-making which have embroiled Europe generation after generation, crushing its manhood, destroying its homes, and impoverishing its life. They have so identified themselves with the philosophies they conceived and with the forces they directed that any tenderness to them is a victory and an encouragement to all the evils which are attached to their names. Civilization can afford no compromise with the social forces which would gain renewed strength if we deal ambiguously or indecisively with the men in whom those forces now precariously survive.

What these men stand for we will patiently and temperately disclose. We will give you undeniable proofs of incredible events. The catalog of crimes will omit nothing that could be conceived by a pathological pride, cruelty, and lust for power. These men created in Germany, under the "Führerprinzip", a National Socialist despotism equalled only by the dynasties of the ancient East. They took from the German people all those dignities and freedoms that we hold natural and inalienable rights in every human being. The people were compensated by inflam-

¹ Excerpts from the address delivered at the Palace of Justice, Nürnberg, Germany, on Nov. 21, 1945. For a list of the defendants on trial see BULLETIN of Oct. 21, 1945, p. 595. For texts of the Agreement for the Establishment of an International Military Tribunal and for the Charter of the International Military Tribunal, see BULLETIN of Aug. 12, 1945, p. 222. For complete text of Mr. Jackson's opening address, see War Department press release of Nov. 21, 1945.

ing and gratifying hatreds toward those who were marked as "scapegoats". Against their opponents, including Jews, Catholics, and free labor, the Nazis directed such a campaign of arrogance, brutality, and annihilation as the world has not witnessed since the pre-Christian ages. They excited the German ambition to be a "master race", which of course implies serfdom for others. They led their people on a mad gamble for domination. They diverted social energies and resources to the creation of what they thought to be an invincible war-machine. They overran their neighbors. To sustain the "master race" in its war-making, they enslaved millions of human beings and brought them into Germany, where these hapless creatures now wander as displaced persons. At length bestiality and bad faith reached such excess that they aroused the sleeping strength of imperiled civilization. Its united efforts have ground the German war-machine to fragments. But the struggle has left Europe a liberated yet prostrate land where a demoralized society struggles to survive. These are the fruits of the sinister forces that sit with these defendants in the prisoners' dock.

In justice to the nations and the men associated in this prosecution, I must remind you of certain difficulties which may leave their mark on this case. Never before in legal history has an effort been made to bring within the scope of a single litigation the developments of a decade, covering a whole continent, and involving a score of nations, countless individuals, and innumerable events. Despite the magnitude of the task, the world has demanded immediate action. This demand has had to be met, though perhaps at the cost of finished craftsmanship. In my country, established courts, following familiar procedures, applying well-thumbed precedents, and dealing with the legal consequences of local and limited events, seldom commence a trial within a year of the event in litigation. Yet less than eight months ago today the courtroom in which you sit was an enemy fortress in the hands of German SS troops. Less than eight months ago nearly all our witnesses and documents were in enemy hands. The law had not been codified, no procedures had been established, no tribunal was in existence, no usable courthouse stood here, none of the hundreds of tons of official German documents had been examined, no prosecuting staff had been assembled, nearly all

the present defendants were at large, and the four prosecuting powers had not yet joined in common cause to try them. I should be the last to deny that the case may well suffer from incomplete researches and quite likely will not be the example of professional work which any of the prosecuting nations would normally wish to sponsor. It is, however, a completely adequate case to the judgment we shall ask you to render, and its full development we shall be obliged to leave to historians.

Before I discuss particulars of evidence, some general considerations which may affect the credit of this trial in the eyes of the world should be candidly faced. There is a dramatic disparity between the circumstances of the accusers and of the accused that might discredit our work if we should falter, in even minor matters, in being fair and temperate.

Unfortunately, the nature of these crimes is such that both prosecution and judgment must be by victor nations over vanquished foes. The worldwide scope of the aggressions carried out by these men has left but few real neutrals. Either the victors must judge the vanquished or we must leave the defeated to judge themselves. After the first World War, we learned the futility of the latter course. The former high station of these defendants, the notoriety of their acts, and the adaptability of their conduct to provoke retaliation make it hard to distinguish between the demand for a just and measured retribution and the unthinking cry for vengeance which arises from the anguish of war. It is our task, so far as humanly possible, to draw the line between the two. We must never forget that the record on which we judge these defendants today is the record on which history will judge us tomorrow. To pass these defendants a poisoned chalice is to put it to our own lips as well. We must summon such detachment and intellectual integrity to our task that this trial will commend itself to posterity as fulfilling humanity's aspiration to do justice.

At the very outset, let us dispose of the contention that to put these men to trial is to do them an injustice entitling them to some special consideration. These defendants may be hard pressed but they are not ill used. Let us see what alternative they would have to being tried.

More than a majority of these prisoners surrendered to or were tracked down by forces of the United States. Could they expect us to make

American custody a shelter for our enemies against the just wrath of our Allies? Did we spend American lives to capture them only to save them from punishment? Under the principles of the Moscow Declaration, those suspected war criminals who are not to be tried internationally must be turned over to individual governments for trial at the scene of their outrages. Many less responsible and less culpable American-held prisoners have been and will be turned over to other United Nations for local trial. If these defendants should succeed, for any reason, in escaping the condemnation of this Tribunal, or if they obstruct or abort this trial, those who are American-held prisoners will be delivered up to our continental Allies. For these defendants, however, we have set up an International Tribunal and have undertaken the burden of participating in a complicated effort to give them fair and dispassionate hearings.

That is the best known protection to any man with a defense worthy of being heard.

If these men are the first war leaders of a defeated nation to be prosecuted in the name of the law, they are also the first to be given a chance to plead for their lives in the name of the law. Realistically, the charter of this Tribunal, which gives them a hearing, is also the source of their only hope. It may be that these men of troubled conscience, whose only wish is that the world forget them, do not regard a trial as a favor. But they do have a fair opportunity to defend themselves—a favor which these men, when in power, rarely extended even to their fellow countrymen. Despite the fact that public opinion already condemns their acts, we agree that here they must be given a presumption of innocence, and we accept the burden of proving criminal acts and the responsibility of these defendants for their commission.

When I say that we do not ask for convictions unless we prove crime, I do not mean mere technical or incidental transgression of international conventions. We charge guilt on planned and intended conduct that involves moral as well as legal wrong. And we do not mean conduct that is a natural and human, even if illegal, cutting of corners, such as many of us might well have committed had we been in the defendants' positions. It is not because they yielded to the normal frailties of human beings that we accuse them. It is their abnormal and inhuman conduct which brings them to this bar.

We will not ask you to convict these men on the testimony of their foes. There is no count of the indictment that cannot be proved by books and records. The Germans were always meticulous record keepers, and these defendants had their share of the Teutonic passion for thoroughness in putting things on paper. Nor were they without vanity. They arranged frequently to be photographed in action. We will show you their own films. You will see their own conduct and hear their own voices as these defendants reenact for you, from the screen, some of the events in the course of the conspiracy.

We would also make clear that we have no purpose to incriminate the whole German people. We know that the Nazi Party was not put in power by a majority of the German vote. We know it came to power by an evil alliance between the most extreme of the Nazi revolutionists, the most unrestrained of the German reactionaries, and the most aggressive of the German militarists. If the German populace had willingly accepted the Nazi program, no stormtroopers would have been needed in the early days of the Party and there would have been no need for concentration camps or the Gestapo, both of which institutions were inaugurated as soon as the Nazi gained control of the German state. Only after these lawless innovations proved successful at home were they taken abroad.

The German people should know by now that the people of the United States hold them in no fear, and in no hate. It is true that the Germans have taught us the horrors of modern warfare, but the ruin that lies from the Rhine to the Danube shows that we, like our Allies, have not been dull pupils. If we are not awed by German fortitude and proficiency in war, and if we are not persuaded of their political maturity, we do respect their skill in the arts of peace, their technical competence, and the sober, industrious, and self-disciplined character of the masses of the German people. In 1933, we saw the German people recovering prestige in the commercial, industrial, and artistic world after the set-back of the last war. We beheld their progress neither with envy nor malice. The Nazi regime interrupted this advance. The recoil of the Nazi aggression has left Germany in ruins. The Nazi readiness to pledge the German word without hesitation and to break it without shame has fastened upon German diplomacy a reputation for duplicity that will

handicap it for years. Nazi arrogance had made the boast of the "master race" a taunt that will be thrown at Germans the world over for generations. The Nazi nightmare has given the German name a new and sinister significance throughout the world which will retard Germany a century. The German, no less than the non-German, world has accounts to settle with these defendants.

The fact of the war and the course of the war, which is the central theme of our case, is history. From September first, 1939, when the German armies crossed the Polish frontiers, until September 1941, when they met epic resistance at Stalingrad, German arms seemed invincible. Denmark and Norway, the Netherlands and France, Belgium and Luxembourg, the Balkans and Africa, Poland and the Baltic states, and parts of Russia, all had been overrun and conquered by swift, powerful, well-aimed blows. That attack upon the peace of the world is the crime against international society which brings into international cognizance crimes in its aid and preparation which otherwise might be only internal concerns. It was aggressive war, which the nations of the world had renounced. It was war in violation of treaties, by which the peace of the world was sought to be safeguarded.

This war did not just happen—it was planned and prepared for over a long period of time and with no small skill and cunning. The world has perhaps never seen such a concentration and stimulation of the energies of any people as that which enabled Germany 20 years after it was defeated, disarmed, and dismembered to come so near carrying out its plan to dominate Europe. Whatever else we may say of those who were the authors of this war, they did achieve a stupendous work in organization, and our first task is to examine the means by which these defendants and their fellow conspirators prepared and incited Germany to go to war.

In general, our case will disclose these defendants' all uniting at some time with the Nazi Party in a plan which they well knew could be accomplished only by an outbreak of war in Europe. Their seizure of the German state, their subjugation of the German people, their terrorism and extermination of dissident elements, their planning and waging of war, their calculated and planned ruthlessness in the conduct of warfare, their deliberate and planned criminality toward conquered peoples—all these are ends for which they acted in concert; and all these are phases of the con-

spiracy, a conspiracy which reached one goal only to set out for another and more ambitious one. We shall also trace for you the intricate web of organizations which these men formed and utilized to accomplish these ends. We will show how the entire structure of offices and officials was dedicated to the criminal purposes and committed to use of the criminal methods planned by these defendants and their co-conspirators, many of whom war and suicide have put beyond reach.

It is my purpose to open the case, particularly under count one of the indictment, and to deal with the common plan or conspiracy to achieve ends possible only by resort to crimes against peace, war crimes, and crimes against humanity. My emphasis will not be on individual barbarities and perversions which may have occurred independently of any central plan. One of the dangers ever present is that this trial may be protracted by details of particular wrongs and that we will become lost in a "wilderness of single instances". Nor will I now dwell on the activity of individual defendants except as it may contribute to exposition of the common plan.

The case as presented by the United States will be concerned with the brains and authority back of all the crimes. These defendants were men of a station and rank which does not soil its own hands with blood. They were men who knew how to use lesser folk as tools. We want to reach the planners and designers, the inciters and leaders, without whose evil architecture the world would not have been for so long scourged with the violence and lawlessness, and wracked with the agonies and convulsions of this terrible war.

[Here follow discussions on the lawless road to power, the consolidation of Nazi power, the battle against the working class, the battle against churches, crimes against the Jews, terrorism and preparation for war, experiments in aggression, war of aggression, conspiracy with Japan, and crimes in the conduct of war.]

The Law of the Case

The end of the war and capture of these prisoners presented the victorious Allies with the question whether there is any legal responsibility on high-ranking men for acts which I have described. Must such wrongs either be ignored or redressed in hot blood? Is there no standard in the law for a deliberate and reasoned judgment on such conduct?

The charter of this Tribunal evidences a faith that the law is not only to govern the conduct of

little men, but that even rulers are, as Lord Chief Justice Coke put it to King James, "under God and the law". The United States believed that the law long has afforded standards by which a juridical hearing could be conducted to make sure that we punish only the right men and for the right reasons. Following the instructions of the late President Roosevelt and the decision of the Yalta conference, President Truman directed representatives of the United States to formulate a proposed international agreement, which was submitted during the San Francisco conference to Foreign Ministers of the United Kingdom, the Soviet Union, and the Provisional Government of France. With many modifications, that proposal has become the charter of this Tribunal.

But the agreement which sets up the standards by which these prisoners are to be judged does not express the views of the signatory nations alone. Other nations with diverse but highly respected systems of jurisprudence also have signified adherence to it. These are Belgium, the Netherlands, Denmark, Norway, Czechoslovakia, Luxembourg, Poland, Greece, Yugoslavia, Ethiopia, Australia, Haiti, Honduras, and Panama. You judge, therefore, under an organic act which represents the wisdom, the sense of justice, and the will of 18 governments, representing an overwhelming majority of all civilized people.

The charter by which this Tribunal has its being embodies certain legal concepts which are inseparable from its jurisdiction and which must govern its decision. These, as I have said, also are conditions to the grant of any hearing to defendants. The validity of the provisions of the charter is conclusive upon us all, whether we have accepted the duty of judging or of prosecuting under it, as well as upon the defendants, who can point to no other law which gives them a right to be heard at all. My able and experienced colleagues believe, as do I, that it will contribute to the expedition and clarity of this trial if I expound briefly the application of the legal philosophy of the charter to the facts I have recited.

While this declaration of the law by the charter is final, it may be contended that the prisoners on trial are entitled to have it applied to their conduct only most charitably if at all. It may be said that this is new law, not authoritatively declared at the time they did the acts it condemns,

and that this declaration of the law has taken them by surprise.

I cannot, of course, deny that these men are surprised that this is the law; they really are surprised that there is any such thing as law. These defendants did not rely on any law at all. Their program ignored and defied all law. That this is so will appear from many acts and statements, of which I cite but a few. In the Fuehrer's speech to all military commanders on November 23, 1939, he reminded them that at the moment Germany had a pact with Russia, but declared, "Agreements are to be kept only as long as they serve a certain purpose." Later on in the same speech he announced, "A violation of the neutrality of Holland and Belgium will be of no importance." (Doc. 789-PS, pp. 5 and 11.) A top-secret document entitled, "Warfare as a Problem of Organization", dispatched by the Chief of the High Command to all Commanders on April 19, 1938, declared that "the normal rules of war toward neutrals may be considered to apply only on the basis whether operation of rules will create greater advantages or disadvantages for belligerents." (Doc. L-211, p. 28 of translation.) And from the files of the German Navy Staff we have a "Memorandum on Intensified Naval War", dated October 15, 1939, which begins by stating a desire to comply with international law. "However", it continues, "if decisive successes are expected from any measure considered as a war necessity, it must be carried through even if it is not in agreement with International Law." (Doc. L-184, p. 3.) International law, natural law, German law, any law at all was to these men simply a propaganda device to be invoked when it helped and to be ignored when it would condemn what they wanted to do. That men may be protected in relying upon the law at the time they act is the reason we find laws of retrospective operation unjust. But these men cannot bring themselves within the reason of the rule which in some systems of jurisprudence prohibits *ex-post-facto* laws. They cannot show that they ever relied upon international law in any state or paid it the slightest regard.

The third count of the indictment is based on the definition of war crimes contained in the charter. I have outlined to you the systematic course of conduct toward civilian populations and combat forces which violates international conventions to which Germany was a party. Of the criminal

nature of these acts at least, the defendants had, as we shall show, clear knowledge. Accordingly, they took pains to conceal their violations. It will appear that the defendants Keitel and Jodl were informed by official legal advisers that the orders to brand Russian prisoners of war, to shackle British prisoners of war, and to execute commando prisoners were clear violations of international law. Nevertheless, these orders were put into effect. The same is true of orders issued for the assassination of General Giraud and General Weygand, which failed to be executed only because of a ruse on the part of Admiral Cànaris, who was himself later executed for his part in the plot to take Hitler's life on July 20, 1944.

The fourth count of the indictment is based on crimes against humanity. Chief among these are mass killings of countless human beings in cold blood. Does it take these men by surprise that murder is treated as a crime?

The first and second counts of the indictment add to these crimes the crime of plotting and waging wars of aggression and wars in violation of nine treaties to which Germany was a party. There was a time, in fact I think the time of the first World War, when it could not have been said that war-inciting or war-making was a crime in law, however reprehensible in morals.

Of course, it was under the law of all civilized peoples a crime for one man with his bare knuckles to assault another. How did it come that multiplying this crime by a million, and adding firearms to bare knuckles, made a legally innocent act? The doctrine was that one could not be regarded as criminal for committing the usual violent acts in the conduct of legitimate warfare. The age of imperialistic expansion during the eighteenth and nineteenth centuries added the foul doctrine, contrary to the teachings of early Christian and international-law scholars such as Grotius, that all wars are to be regarded as legitimate wars. The sum of these two doctrines was to give war-making a complete immunity from accountability to law.

This was intolerable for an age that called itself civilized. Plain people, with their earthy common sense, revolted at such fictions and legalisms so contrary to ethical principles and demanded checks on war immunity. Statesmen and international lawyers at first cautiously responded by adopting rules of warfare designed to make the conduct of war more civilized. The effort was

to set legal limits to the violence that could be done to civilian populations and to combatants as well.

The common sense of men after the first World War demanded, however, that the law's condemnation of war reach deeper, and that the law condemn not merely uncivilized ways of waging war but also the waging in any way of uncivilized wars—wars of aggression. The world's statesmen again went only as far as they were forced to go. Their efforts were timid and cautious and often less explicit than we might have hoped. But the 1920's did outlaw aggressive war.

The reestablishment of the principle that there are unjust wars and that unjust wars are illegal is traceable in many steps. One of the most significant is the Briand-Kellogg pact of 1928, by which Germany, Italy, and Japan, in common with practically all the nations of the world, renounced war as an instrument of national policy, bound themselves to seek the settlement of disputes only by pacific means, and condemned recourse to war for the solution of international controversies. This pact altered the legal status of a war of aggression. As Mr. Stimson, the United States Secretary of State, put it in 1932, such a war "is no longer to be the source and subject of rights. It is no longer to be the principle around which the duties, the conduct, and the rights of nations revolve. It is an illegal thing. . . . By that very act, we have made obsolete many legal precedents and have given the legal profession the task of reexamining many of its codes and treatises."

The Geneva protocol of 1924 for the Pacific Settlement of International Disputes, signed by the representatives of 48 governments, declared that "a war of aggression constitutes . . . an international crime." The Eighth Assembly of the League of Nations in 1927, on unanimous resolution of the representatives of 48 member nations, including Germany, declared that a war of aggression constitutes an international crime. At the sixth pan-American conference of 1928, the 21 American republics unanimously adopted a resolution stating that "war of aggression constitutes an international crime against the human species."

A failure of these Nazis to heed, or to understand the force and meaning of, this evolution in the legal thought of the world is not a defense or a mitigation. If anything, it aggravates their offense and makes it the more mandatory that the

law they have flouted be vindicated by juridical application to their lawless conduct. Indeed, by their own law—had they heeded any law—principles were binding on these defendants. Article 4 of the Weimar Constitution provided that “The generally accepted rules of international law are to be considered as binding integral parts of the law of the German Reich.” (Doc. 2050-PS.) Can there be any doubt that the outlawry of aggressive war was one of the “generally accepted rules of international law” in 1939?

Any resort to war—to any kind of a war—is a resort to means that are inherently criminal. War inevitably is a course of killings, assaults, deprivations of liberty, and destruction of property. An honestly defensive war is, of course, legal and saves those lawfully conducting it from criminality. But inherently criminal acts cannot be defended by showing that those who committed them were engaged in a war, when war itself is illegal. The very minimum legal consequence of the treaties making aggressive wars illegal is to strip those who incite or wage them of every defense the law ever gave, and to leave war-makers subject to judgment by the usually accepted principles of the law of crimes.

But if it be thought that the charter, whose declarations concededly bind us all, does contain new law I still do not shrink from demanding its strict application by this Tribunal. The rule of law in the world, flouted by the lawlessness incited by these defendants, had to be restored at the cost to my country of over a million casualties, not to mention those of other nations. I cannot subscribe to the perverted reasoning that society may advance and strengthen the rule of law by the expenditure of morally innocent lives but that progress in the law may never be made at the price of morally guilty lives.

It is true, of course, that we have no judicial precedent for the charter. But international law is more than a scholarly collection of abstract and immutable principles. It is an outgrowth of treaties and agreements between nations and of accepted customs. Yet every custom has its origin in some single act, and every agreement has to be initiated by the action of some state. Unless we are prepared to abandon every principle of growth for international law, we cannot deny that our own day has the right to institute customs and to conclude agreements that will themselves become sources of a newer and strengthened international

law. International law is not capable of development by the normal processes of legislation for there is no continuing international legislative authority. Innovations and revisions in international law are brought about by the action of governments designed to meet a change in circumstances. It grows, as did the common law, through decisions reached from time to time in adapting settled principles to new situations. The fact is that when the law evolves by the case method, as did the common law and as international law must do if it is to advance at all, it advances at the expense of those who wrongly guessed the law and learned too late their error. The law, so far as international law can be decreed, had been clearly pronounced when these acts took place. Hence, I am not disturbed by the lack of judicial precedent for the inquiry we propose to conduct.

The events I have earlier recited clearly fall within the standards of crimes, set out in the charter, whose perpetrators this Tribunal is convened to judge and punish fittingly. The standards for war crimes and crimes against humanity are too familiar to need comment. There are, however, certain novel problems in applying other precepts of the charter which I should call to your attention.

The Crime Against Peace

A basic provision of the charter is that to plan, prepare, initiate, or wage a war of aggression, or a war in violation of international treaties, agreements, and assurances, or to conspire or participate in a common plan to do so is a crime.

It is perhaps a weakness in this charter that it fails itself to define a war of aggression. Abstractly, the subject is full of difficulty, and all kinds of troublesome hypothetical cases can be conjured up. It is a subject which, if the defense should be permitted to go afield beyond the very narrow charge in the indictment, would prolong the trial and involve the Tribunal in insoluble political issues. But, so far as the question can properly be involved in this case, the issue is one of no novelty and is one on which legal opinion has well crystallized.

One of the most authoritative sources of international law on this subject is the Convention for the Definition of Aggression signed at London on July 3, 1933 by Rumania, Estonia, Latvia, Poland, Turkey, the Soviet Union, Persia, and Afghanistan. The subject has also been considered by international committees and by commentators

whose views are entitled to the greatest respect. It had been little discussed prior to the first World War but has received much attention as international law has evolved its outlawry of aggressive war. In the light of these materials of international law, and so far as relevant to the evidence in this case, I suggest that an "aggressor" is generally held to be that state which is the first to commit any of the following actions:

- (1) Declaration of war upon another state;
- (2) Invasion by its armed forces, with or without a declaration of war, of the territory of another state;
- (3) Attack by its land, naval, or air forces, with or without a declaration of war, on the territory, vessels, or aircraft of another state;
- (4) Provision of support to armed bands formed in the territory of another state, or refusal, notwithstanding the request of the invaded state, to take in its own territory all the measures in its power to deprive those bands of all assistance or protection.

And I further suggest that it is the general view that no political, military, economic, or other considerations shall serve as an excuse or justification for such actions; but exercise of the right of legitimate self-defense, that is to say, resistance to an act of aggression, or action to assist a state which has been subjected to aggression, shall not constitute a war of aggression.

It is upon such an understanding of the law that our evidence of a conspiracy to provoke and wage an aggressive war is prepared and presented. By this test each of the series of wars begun by these Nazi leaders was unambiguously aggressive.

It is important to the duration and scope of this trial that we bear in mind the difference between our charge that this war was one of aggression and a position that Germany had no grievances. We are not inquiring into the conditions which contributed to causing this war. They are for history to unravel. It is no part of our task to vindicate the European *status quo* as of 1933, or as of any other date. The United States does not desire to enter into discussion of the complicated pre-war currents of European politics, and it hopes this trial will not be protracted by their consideration. The remote causations avowed are too insincere and inconsistent, too complicated and doctrinaire, to be the subject of profitable inquiry in this trial. A familiar example is to be found in the "Lebens-

raum" slogan, which summarized the contention that Germany needed more living space as a justification for expansion. At the same time that the Nazis were demanding more space for the German people, they were demanding more German people to occupy space. Every known means to increase the birth rate, legitimate and illegitimate, was utilized. "Lebensraum" represented a vicious circle of demand—from neighbors more space, and from Germans more progeny. We do not need to investigate the verity of doctrines which led to constantly expanding circles of aggression. It is *only the plot and the act* of aggression which we charge to be crimes.

Our position is that whatever grievances a nation may have, however objectionable it finds the *status quo*, aggressive warfare is an illegal means for settling those grievances or for altering those conditions. It may be that the Germany of the 1920's and 1930's faced desperate problems, problems that would have warranted the boldest measures short of war. All other methods—persuasion, propaganda, economic competition, diplomacy—were open to an aggrieved country, but aggressive warfare was outlawed. These defendants did make aggressive war, a war in violation of treaties. They did attack and invade their neighbors in order to effectuate a foreign policy which they knew could not be accomplished by measures short of war. And that is as far as we accuse or propose to inquire.

The Law of Individual Responsibility

The charter also recognizes individual responsibility on the part of those who commit acts defined as crimes, or who incite others to do so, or who join a common plan with other persons, groups, or organizations to bring about their commission. The principle of individual responsibility for piracy and brigandage, which have long been recognized as crimes punishable under international law, is old and well established. That is what illegal warfare is. This principle of personal liability is as necessary as well as logical one if international law is to render real help to the maintenance of peace. An international law which operates only on states can be enforced only by war because the most practicable method of coercing a state is warfare. Those familiar with American history know that one of the compelling reasons for adoption of our Constitution was that the laws of the Confederation, which operated only on

constituent states, were found ineffective to maintain order among them. The only answer to recalcitrance was impotence or war. Only sanctions which reach individuals can peacefully and effectively be enforced. Hence, the principle of the criminality of aggressive war is implemented by the charter with the principle of personal responsibility.

Of course, the idea that a state, any more than a corporation, commits crimes is a fiction. Crimes always are committed only by persons. While it is quite proper to employ the fiction of responsibility of a state or corporation for the purpose of imposing a collective liability, it is quite intolerable to let such a legalism become the basis of personal immunity.

The charter recognizes that one who has committed criminal acts may not take refuge in superior orders nor in the doctrine that his crimes were acts of states. These twin principles working together have heretofore resulted in immunity for practically everyone concerned in the really great crimes against peace and mankind. Those in the lower ranks were protected against liability by the orders of their superiors. The superiors were protected because their orders were called acts of state. Under the charter, no defense based on either of these doctrines can be entertained. Modern civilization puts unlimited weapons of destruction in the hands of men. It cannot tolerate so vast an area of legal irresponsibility.

Even the German Military Code provides that

"If the execution of a military order in the course of duty violates the criminal law, then the superior officer giving the order will bear the sole responsibility therefor. However, the obeying subordinate will share the punishment of the participant: (1) if he has exceeded the order given to him, or (2) if it was within his knowledge that the order of his superior officer concerned an act by which it was intended to commit a civil or military crime or transgression." (*Reichsgesetzblatt* 1926, no. 37, p. 278, art. 47.)

Of course, we do not argue that the circumstances under which one commits an act should be disregarded in judging its legal effect. A conscripted private or an enlisted man on a firing squad cannot expect to hold an inquest on the validity of the execution. The charter implies common-sense limits to liability just as it places common-sense limits upon immunity. But none of these men before you acted in minor parts.

Each of them was entrusted with broad discretion and exercised great power. Their responsibility is correspondingly great and may not be shifted to that fictional being, "the state", which cannot be produced for trial, cannot plead, cannot testify, and cannot be sentenced.

The charter also recognizes a vicarious liability, which is recognized by most modern systems of law, for acts committed by others in carrying out a common plan or conspiracy to which a defendant has become a party. I need not discuss the familiar principles of such liability. Every day in the courts of countries associated in this prosecution, men are convicted for acts that they did not personally commit but for which they were held responsible because of membership in illegal combinations or plans or conspiracies.

The Political, Police, and Military Organizations

Accused before this Tribunal as criminal organizations are certain political and police organizations which the evidence will show to have been instruments of cohesion in planning and executing the crimes I have detailed. Perhaps the worst of the movement were the Leadership Corps of the N.S.D.A.P., the Schutzstaffeln or "SS", the Sturmabteilungen or "SA", and the subsidiary formations which these include. These were the Nazi Party leadership, espionage, and policing groups. They were the real government, above and outside of any law. Also accused as organizations are the Reich Cabinet and the Secret State Police, or Gestapo, which were fixtures of the Government but animated solely by the Nazi Party.

Except for a late period when some compulsory recruiting was done in the SS, membership in all these militarized formations was voluntary. The police organizations were recruited from ardent partisans who enlisted blindly to do the dirty work the leaders planned. The Reich Cabinet was the governmental façade for Nazi Party government, and in its members legal as well as actual responsibility was vested for the entire program. Collectively they were responsible for the program in general; individually they were especially responsible for segments of it. The finding which we ask you to make, that these are criminal organizations, will subject members to punishment to be hereafter determined by appropriate tribunals, unless some personal defense—such as becoming a member under threat to person, or family, or inducement by false representation, or the like—be

established. Every member will have a chance to be heard in the subsequent forum on his personal relation to the organization, but your finding in this trial will conclusively establish the criminal character of the organization as a whole.

We have also accused as criminal organizations the High Command and the General Staff of the German armed forces. We recognize that to plan warfare is the business of professional soldiers in every country. But it is one thing to plan strategic moves in the event war comes, and it is another thing to plot and intrigue to bring on that war. We will prove the leaders of the German General Staff and of the High Command to have been guilty of just that. Military men are not before you because they served their country. They are here because they mastered it, along with these others, and drove it to war. They are not here because they lost the war but because they started it. Politicians may have thought of them as soldiers, but soldiers know they were politicians. We ask that the General Staff and the High Command, as defined in the indictment, be condemned as a criminal group whose existence and tradition constitute a standing menace to the peace of the world.

These individual defendants did not stand alone in crime and will not stand alone in punishment. Your verdict of "guilty" against these organizations will render *prima facie* guilty, as nearly as we can learn, thousands upon thousands of members now in custody of United States forces and of other armies.

The Responsibility of This Tribunal

To apply the sanctions of the law to those whose conduct is found criminal by the standards I have outlined is the responsibility committed to this Tribunal. It is the first court ever to undertake the difficult task of overcoming the confusion of many tongues and the conflicting concepts of just procedure among divers systems of law, so as to reach a common judgment. The tasks of all of us are such as to make heavy demands on patience and good-will. Although the need for prompt action has admittedly resulted in imperfect work on the part of the prosecution, four great nations bring you their hurriedly assembled contributions of evidence. What remains undiscovered we can only guess. We could, with witnesses' testimony, prolong the recitals of crime for years—but to what avail? We shall rest the case when we have

offered what seems convincing and adequate proof of the crimes charged without unnecessary cumulation of evidence. We doubt very much whether it will be seriously denied that the crimes I have outlined took place. The effort will undoubtedly be to mitigate or escape personal responsibility.

Among the nations which unite in accusing these defendants the United States is perhaps in a position to be the most dispassionate, for, having sustained the least injury, it is perhaps the least animated by vengeance. Our American cities have not been bombed by day and by night, by humans and by robots. It is not our temples that have been laid in ruins. Our countrymen have not had their homes destroyed over their heads. The menace of Nazi aggression, except to those in actual service, has seemed less personal and immediate to us than to the European peoples. But, while the United States is not first in rancor, it is not second in determination that the forces of law and order be made equal to the task of dealing with such international lawlessness as I have recited here.

Twice in my lifetime, the United States has sent its young manhood across the Atlantic, drained its resources, and burdened itself with debt to help defeat Germany. But the real hope and faith that has sustained the American people in these great efforts was that victory for ourselves and our Allies would lay the basis for an ordered international relationship in Europe and would end the centuries of strife on this embattled continent.

Twice we have held back in the early stages of European conflict in the belief that it might be confined to a purely European affair. In the United States, we have tried to build an economy without armament, a system of government without militarism, and a society where men are not regimented for war. This purpose, we know now, can never be realized if the world periodically is to be embroiled in war. The United States cannot, generation after generation, throw its youth or its resources onto the battlefields of Europe to redress the lack of balance between Germany's strength and that of her enemies, and to keep the battles from our shores.

The American dream of a peace-and-plenty economy, as well as the hopes of other nations, can never be fulfilled if those nations are involved in a war every generation so vast and devastating as to crush the generation that fights and burden the generation that follows. But experience has shown

that wars are no longer local. All modern wars become world wars eventually. And none of the big nations at least can stay out. If we cannot stay out of wars, our only hope is to prevent wars.

I am too well aware of the weaknesses of juridical action alone to contend that in itself your decision under this charter can prevent future wars. Judicial action always comes after the event. Wars are started only on the theory and in the confidence that they can be won. Personal punishment, to be suffered only in the event the war is lost, will probably not be a sufficient deterrent to prevent a war where the war-makers feel the chances of defeat to be negligible.

But the ultimate step in avoiding periodic wars, which are inevitable in a system of international lawlessness, is to make statesmen responsible to law. And let me make clear that, while this law is first applied against German aggressors, the law includes, and if it is to serve a useful purpose it must condemn, aggression by any other nation, including those which now sit here in judgment. We are able to do away with domestic tyranny and violence and aggression by those in power against the rights of their own people only when we make all men answerable to the law. This trial represents mankind's desperate effort to apply the discipline of the law to statesmen who have used their powers of state to attack the foundations of the world's peace and to commit aggressions against the rights of their neighbors.

The usefulness of this effort to do justice is not to be measured by considering the law or your judgment in isolation. This trial is part of the great effort to make the peace more secure. One step in this direction is the United Nations Organization, which may take joint political action to prevent war if possible, and joint military action to insure that any nation which starts a war will lose it. This charter and this trial, implementing the Kellogg-Briand pact, constitute another step in the same direction—juridical action of a kind to insure that those who start a war will pay for it personally.

While the defendants and the prosecutors stand before you as individuals, it is not the triumph of either group alone that is committed to your judgment. Above all personalities there are anonymous and impersonal forces whose conflict makes up much of human history. It is yours to throw the strength of the law back of either the one or the other of these forces for at least another

generation. What are the real forces that are contending before you?

No charity can disguise the fact that the forces which these defendants represent, the forces that would advantage and delight in their acquittal, are the darkest and most sinister forces in society—dictatorship and oppression, malevolence and passion, militarism and lawlessness. By their fruits we best know them. Their acts have bathed the world in blood and set civilization back a century. They have subjected their European neighbors to every outrage and torture, every spoliation and deprivation that insolence, cruelty, and greed could inflict. They have brought the German people to the lowest pitch of wretchedness, from which they can entertain no hope of early deliverance. They have stirred hatreds and incited domestic violence on every continent. These are the things that stand in the dock shoulder to shoulder with these prisoners.

The real complaining party at your bar is civilization. In all our countries it is still a struggling and imperfect thing. It does not plead that the United States, or any other country, has been blameless of the conditions which made the German people easy victims to the blandishments and intimidations of the Nazi conspirators.

But it points to the dreadful sequence of aggressions and crimes I have recited; it points to the weariness of flesh, the exhaustion of resources, and the destruction of all that was beautiful or useful in so much of the world and to greater potentialities for destruction in the days to come. It is not necessary among ruins of this ancient and beautiful city, with untold members of its civilian inhabitants still buried in its rubble, to argue the proposition that to start or wage an aggressive war has the moral qualities of the worst of crimes. The refuge of the defendants can be only their hope that international law will lag so far behind the moral sense of mankind that conduct which is crime in the moral sense must be regarded as innocent in law.

Civilization asks whether law is so laggard as to be utterly helpless to deal with crimes of this magnitude by criminals of this order of importance. It does not expect that you can make war impossible. It does expect that your juridical action will put the forces of international law, its precepts, its prohibitions, and most of all its sanctions, on the side of peace, so that men and women of good-will in all countries may have "leave to live by no man's leave, underneath the law."

Availability of German Plant Equipment

[Released to the press November 21]

Persons interested in securing machinery or equipment which is made available to the United States from Germany on reparation account to help break bottlenecks in production in the United States or to expand production facilities with equipment of unique design and of a non-competitive nature should communicate with the Bureau of International Supply, Civilian Production Administration, Washington 25, D. C. Those persons interested in machinery or equipment from Germany are advised to furnish as much detail as possible to the Bureau of International Supply concerning the location and ownership of the equipment in Germany, if known, as well as the exact type of plant and equipment. To be considered favorably a request for such equipment must also indicate clearly that such equipment or similar equipment is not obtainable in required amounts in the United States and is needed to break production bottlenecks or to expand production facilities. Whenever such plant and equipment is actually obtained by the United States on reparation account, it will be made available to United States firms or individuals interested in purchasing it.

Persons or firms who own or have a substantial property interest in industrial plants in Germany which may be declared available for removal on reparation account, and who desire to transfer such plants for operation in other countries, should communicate with the Division of Foreign Economic Development of the Department of State. While it is expected that wholly German-owned plants will in the first instance be earmarked for removal from Germany, the program of reparation and economic disarmament may require, in individual cases, the removal of industrial plant and equipment wholly or partly owned by nationals of Allied countries. Whenever a plant in which a substantial American property interest exists is earmarked for removal, the Department of State will determine, after consultation with the American owners involved, whether the United States should claim such plant as part of its reparation share. If the plant in question is actually obtained by the United States Government as reparation, due consideration will be given to the American property interests in determining

the new location of the plant and the conditions of its sale.

Persons or firms who desire to acquire other German plants which have or may become available for reparation in order to transfer them to other countries for operation should likewise communicate with the Division of Foreign Economic Development of the Department of State.

German plant and equipment in which American individuals or firms express an interest will become available for allocation among reparation claimants only if such plant and equipment is declared available for reparation in the course of the Control Council's determination of the requirements of Germany's minimum peacetime economy under provisions of the Potsdam protocol.

As the result of the conference of reparation-claimant countries now being held in Paris, the United States expects to be allocated a share in German assets made available for reparation, including a share in German industrial capital equipment. The Allied Control Council is proceeding with the determination of the amount and character of reparation removals from the three western zones of Germany and has already declared 30 industrial plants available for advance reparation delivery. Whenever a number of plants are declared available for reparation, the Allied Control Council will first divide such plants between the Soviet Union and Poland on the one hand and all the other reparation claimants on the other. Under the terms of the Potsdam protocol, the Soviet-Polish reparation claims are met not only from the Soviet zone of occupation in Germany but also from 25 percent of the industrial capital equipment available for removal from the other three zones of occupation.

Those plants which are not assigned to the Soviet Union and Poland by the Allied Control Council will be allocated among other countries entitled to reparation by the Inter-Allied Reparation Agency which the conference now being held at Paris is expected to establish.

Letters of Credence

Minister of Finland

The newly appointed Minister of Finland, Kalle Teodor Jutila, presented his letters of credence to the President on November 21. For text of these credentials and the President's reply see Department of State press release 875.

United States-British Commonwealth Telecommunications Conference

UNITED STATES DELEGATION

[Released to the press November 19]

The Department of State announced on November 19 the composition of the Delegation of the United States to the United States-British Commonwealth Telecommunications Conference to be held in Bermuda beginning November 21, 1945.

The composition of the Delegation, as approved by the President, is as follows:

CHAIRMAN:

The Honorable James Clement Dunn, Assistant Secretary of State

VICE CHAIRMAN:

The Honorable Paul A. Porter, Chairman, Federal Communications Commission

DEPUTY TO MR. DUNN:

Mr. George Pierce Baker, Director, Office of Transport and Communications Policy, Department of State

DELEGATES:

Department of State:

Mr. Francis Colt de Wolf, Chief, Telecommunications Division

Mr. Robert R. Burton, Chief, Radio Utilization Section, International Information Division

War Department:

Maj. Gen. Frank E. Stoner, Chief, Army Communications Service, Signal Corps

Maj. Gen. H. M. McClelland, Communications Officer, Headquarters, Army Air Forces

Col. A. G. Simson, Chief, Communication Liaison Branch, Plans and Operation Division, Office of the Chief Signal Officer

Lt. Col. Frederick C. Lough, Signal Corps

Maj. Nathaniel White, Signal Corps

Navy Department:

Rear Admiral Joseph R. Redman, Director of Naval Communications

Capt. Charles Horn, Office of Chief of Naval Communications

Commander Henry Williams, Jr., Office of Chief of Naval Communications

Federal Communications Commission:

Mr. William J. Norfleet, Chief Accountant

Mr. Benedict P. Cottone, Chief, Common Carrier Division, Law Department

Mr. Marion H. Woodward, Chief, International Division, Engineering Department

DELEGATES—Continued

Federal Communications Commission—Continued

Commander Paul D. Miles, Chief, Allocation Division, Engineering Department

PRESS OFFICER:

Mr. Lincoln White, Executive Assistant, Office of Special Assistant to the Secretary, Mr. McDermott, Department of State

SECRETARIES:

Miss Helen G. Kelly, Divisional Assistant, Telecommunications Division, Department of State

Mr. Robert E. Read, Divisional Assistant, Division of International Conferences, Department of State

Under date of August 9, 1945 the British Embassy in Washington addressed an *aide-mémoire* to the Department, extending an invitation to the Government of the United States to participate in a telecommunications conference between the Government of the United States and the governments members of the British Commonwealth of Nations.

The agenda submitted with the British *aide-mémoire* covered a number of questions dealing with post-war problems which will be considered at the next international telecommunications conference. In accepting the invitation, the Department proposed that the conference confine itself to the solution of telecommunication problems outstanding between the United States and the British Commonwealth of Nations, including rates, direct radiotelegraph and radiotelephone circuits, Anglo-American cables, et cetera, between these countries.

Franco-American Conversations on the Ruhr and Rhineland

[Released to the press November 21]

Franco-American conversations have just been concluded in Washington in which Maurice Couve de Murville was entrusted with the mission of explaining the views of the French Government respecting the future status of the Ruhr and the Rhineland.

The conversations gave the opportunity for a detailed consideration of the French views and took place in a spirit of the utmost cordiality.

Training of Netherlands Marines in United States

[Released to the press November 19]

In 1943 the Netherlands Government requested the United States Joint Chiefs of Staff to approve the training and equipment in this country of a Netherlands Marine Landing Force in order that the Netherlands might be able to participate actively in the war against Japan. After approval by the Joint Chiefs of Staff, arrangements were made through direct military channels for the actual training. The first Netherlands Marines arrived in this country in September and October 1943. At the time of the Japanese surrender some 5,000 Netherlands Marines were undergoing training in the United States and a further 2,000 were awaiting transportation to this country. With the end of hostilities, and in accordance with policy directives adopted prior to the Japanese capitulation, the Netherlands Government was informed immediately after the Japanese surrender that the further movement of Netherlands Marines to the United States should be discontinued and that the Marines now in the United States should be ready to depart, together with their equipment, by mid-November 1945, which appeared to be the earliest date at which sufficient shipping could be made available by the United Maritime Authority.

Mail Service to Displaced Persons in Austria and Germany

[Released to the press November 23]

The Department of State announced on November 23 that effective at once a limited mail service will be placed in operation for the exchange of personal non-transactional correspondence between persons in the United States and displaced persons in the American zones of Austria and Germany and for the shipment of five-pound gift parcels to displaced persons in those zones from senders in this country.

In order that an efficient service may be established it is necessary that the first dispatch of mail originate in every case with the displaced person. Special forms of postcards will be distributed to displaced persons in the American

zones of Austria and Germany for this purpose. The special cards will be distributed in the American zone of Germany by United States authorities and in the American zone of Austria by United States and Red Cross authorities.

A person in the United States wishing to correspond with a displaced person in the American zones of Austria or Germany must have first received such a card from the displaced person with whom he wishes to correspond and must present this card before post offices will accept letters or parcels for mailing.

After receiving such a card from a displaced person in one of these zones a prospective mailer in the United States may then correspond with that person and send him gift parcels. Letters, however, are limited to two pages, and only one letter may be sent to the same addressee during any seven-day period. Gift parcels are limited to five pounds in weight, and only one may be sent to the same addressee during any seven-day period. These letters and packages must be presented to clerks in the service windows at local post offices, and the mailer must always as stated above present the initial postcard received from the displaced person to whom the letter or parcel is addressed. Letters and parcels not presented in this manner will not be acceptable for forwarding and will be returned to the sender.

Letters and parcels must be properly addressed in the following manner:

Name of Displaced Person,
Name of Camp,
Number of Postal Addressing District,
Name of Post Office,
 United States Zone—*Austria or Ger-*
many,
 Via Foreign Station,
 New York, New York.

Gift parcels may contain clothing and non-perishable food or similar items. Matches and other items which are prohibited in the international mails may not be sent. Each parcel must have attached to it a properly executed customs-declaration tag, and both package and tag must be plainly marked "Gift Parcel".

The export-control regulations of the Office of International Trade Operations of the Department of Commerce are applicable to the service.

Further information concerning this service may be obtained at local post offices.

Inter-American Solidarity: Safeguarding the Democratic Ideal

NOTE FROM URUGUAYAN FOREIGN MINISTER TO SECRETARY OF STATE¹

[Released to the press November 23]

His Excellency,

JAMES F. BYRNES,

Secretary of State of the United States:

In the note of this Ministry under date of October 19, I stated that the "parallelism between democracy and peace must constitute a strict rule of action in inter-American policy". And I added that the highest respect for the principle of non-intervention by a state in the affairs of another, a principle established during the last decade, does not shield without limitation "the notorious and repeated violation by any republic of the elementary rights of man and of the citizen, nor the non-fulfilment of obligations freely contracted by a state with respect to its external and internal duties and which entitle it to be an active member of the international community".

I

This Ministry is deeply aware of the urgent need of developing these concepts, and of proposing to the American governments an exchange of views in an effort to arrive at formulas and solutions that will bring into concrete reality this sense of right which is so firmly held in the Americas. If before the war the interdependence of democracy and peace was a recognized concept in inter-American relations, that concept has, since the terrible experience of the war, acquired the force of an absolute truth.

¹ On the evening of Nov. 22, 1945 the Uruguayan Foreign Minister, Alberto Rodriguez Larreta, handed to the Ambassador of the United States in Montevideo, William Dawson, this note for transmission to the Secretary of State. The note was also given to the chiefs of mission of the other American republics in Montevideo at the same time.

The Department of State is informed that the Uruguayan Government has now made the text of the note available to the press in Montevideo, and, as a convenience to correspondents in Washington, the Department of State released to the press copies of the original Spanish text as well as this English translation prepared by the Department.

At the Conference for the Maintenance of Peace held in Buenos Aires in 1936, President Roosevelt said:

"First, it is our duty by every honorable means to prevent any future war among ourselves. This can best be done through the strengthening of the processes of constitutional democratic government—to make these processes conform to the modern need for unity and efficiency and, at the same time, preserve the individual liberties of our citizens. By so doing, the people of our nations, unlike the people of many nations who live under other forms of government, can and will insist on their intention to live in peace. Thus will democratic government be justified throughout the world."

Since the representatives of the other American republics assembled at Buenos Aires unanimously shared these basic principles, there was proclaimed "the existence of a solidary democracy in America".

At every inter-American meeting held since that time, identical concepts have been stated.

In Panama, in 1939, it was said that—

"On more than one occasion the American Republics have affirmed their adherence to the democratic ideal which prevails in this Hemisphere;

"This ideal may be endangered by the action of foreign ideologies inspired in diametrically opposite principles; and

"It is advisable, consequently, to protect the integrity of this ideal through the adoption of appropriate measures."

In Habana, in 1940, resolution VII refers to the "Diffusion of Doctrines Tending to Place in Jeopardy the Common Inter-American Democratic Ideal or To Threaten the Security and Neutrality of the American Republics," and recommends a series of measures against propaganda originating abroad or carried out by foreign elements within the republics of the continent.

In Rio de Janeiro, 1942, measures intended to "prevent or punish as crimes, acts against demo-

eratic institutions" were confirmed and strengthened.

II

In March 1945, at the Conference of Mexico City the American republics, still under the impact of the tragic experience of a war which had already lasted five years, gave vital force and meaning to these concepts in numerous declarations. In resolution VII the American republics "affirmed their adherence to the democratic ideal", and declared that "it is desirable to safeguard this ideal" and that "the dissemination of totalitarian doctrines in this Continent would endanger the American democratic ideal".

The Declaration of Mexico (resolution XI) confirmed these concepts and sought to give them force and effect throughout the continent, by proclaiming: "The purpose of the State is the happiness of man in society. The interests of the community should be harmonized with the rights of the individual. The American man cannot conceive of living without justice, *just as he cannot conceive of living without liberty*".¹

And in resolution XL on International Protection of the Essential Rights of Man it was resolved, "To proclaim the adherence of the American Republics to the principles established by international law for safeguarding the essential rights of man, and to declare their support of a system of international protection of these rights."

It is highly important to note that these concepts are extended to protect the individual as such in his essential rights, and that the necessity of a system of international protection of those rights is proclaimed.

III

The Conferences of Mexico City and San Francisco, which took place at the close of this war, gave a still firmer and more definite proof of the common determination to make effective, to any necessary extent, the defense of the democratic ideal and of the individual, as the essential objective. Thus the nations became bound, not only by international duties but also by internal duties having an international effect. The persistent and repeated violation of the essential rights of man and of the citizen affects both the American and the international sense of justice. (Introduction articles 1, 2, 13, 55, 62, 68, etc., of the Charter of the United Nations.)

And as a sanction against the violation of such principles, article 6 provided that: "A member of the United Nations which has persistently violated the Principles contained in the present Charter *may be expelled from the Organization by the General Assembly upon the recommendation of the Security Council*".¹

IV

The repeated violation of such rules is not only disastrous in itself, but sooner or later produces grave international repercussions. A nazi-fascist regime, acting through its characteristic methods, attacks the rights of man and of the citizen, develops the ideology of force, creates false notions of superiority and is a fatal ferment for future external conflicts. It is a system which, prompted by the instinct of self-preservation in an environment which is hostile to it, must spread out in order to survive. Its will to endure forces it, in times of crisis, toward international conflict, in the hope of filling out its weakened ranks through a wave of patriotism. It is, furthermore, a system which seeks to spread contagion and which tends thereto by the very potency of the virus which it injects into the social organism.

Hence it was that in Mexico and in San Francisco, new international concepts were brought into being to meet this danger. The maintenance of these concepts was deemed indispensable if the plans prepared for the preservation of peace and security are to be effective.

V

The principle of non-intervention by one State in the affairs of another, in the field of inter-American relations, constitutes in itself a great advance achieved during the last decade; this principle was inspired by noble and just claims. We must maintain and affirm that principle whenever the need arises. It must, however, be harmonized with other principles the operation of which is of fundamental importance for the preservation of international peace and security.

First there is the principle which I have defined as the "parallelism between peace and democracy". Second, there is the conviction acquired through tragic experience, that "peace is indivisible", that is, that conflicts cannot be isolated or continue indefinitely, without serious danger, as

¹ Passage italicized by the Uruguayan Foreign Minister.

centers of disturbance, in a world devoted to work and the pursuit of well-being. Such disturbance will, in the long run, be fatal to the peaceful world which we desire. Finally, there is the principle of the defense of the elementary human liberties—of the four freedoms of Roosevelt, of the minimum human liberties within a civilized continent—wherever they are notoriously and persistently infringed or ignored.

It is not difficult to harmonize such principles. "Non-intervention" cannot be converted into a right to invoke one principle in order to be able to violate all other principles with immunity. Therefore a multilateral collective action, exercised with complete unselfishness by all the other republics of the continent, aimed at achieving in a spirit of brotherly prudence the mere reestablishment of essential rights, and directed toward the fulfillment of freely contracted juridical obligations, must not be held to injure the government affected, but rather it must be recognized as being taken for the benefit of all, including the country which has been suffering under such a harsh regime.

It is pertinent to recall that when the principle of non-intervention was being most firmly defended and obtained its full recognition, multilateral action, exercised under the conditions and with the aims stated above, was not prohibited. That was the Uruguayan thesis at Habana in 1928. In 1933, at Montevideo, and at Buenos Aires, in 1936, it was clearly specified that it is the action of one state against another state, of one party against another, which is prohibited, the text of the two conferences emphasizing the individual, and therefore presumptively selfish, character of the action condemned. "It is declared that the intervention of any *one* of them in the affairs of another is inadmissible." (Article 1 of the additional Protocol of 1936.) "No state has the right to intervene in the internal or external affairs of another." (Convention on Rights and Duties of States, Montevideo, December 1933.)

Principles to which the war has restored all their vital force and whose operation is indispensable to the creation of a better world, do not conflict therefore with this rule [of non-intervention], and the latter would, in any event, remain unchanged.

The free and harmonious working of these principles must be effected on the basis that "non-intervention" is not a shield behind which crime

may be perpetrated, law may be violated, agents and forces of the Axis may be sheltered, and binding obligations may be circumvented.

Otherwise, at the very time when, since Mexico and after San Francisco, we should be creating a new international and humanitarian conception, we would find ourselves tolerating a doctrine capable of frustrating and destroying that very conception.

VI

The views set forth above are far from constituting an innovation. They respond to the demand of the peoples, the platforms of political parties, and to the judgment of those organizations and institutions which are devoted to the study of juridical and political problems. They echo the views of the free press, and the insistent plea of the young generations which do not wish to be defrauded again.

Its only novelty consists in being expressed in a diplomatic document, which many would prefer devoid of any sentiment, and in the fact that the need is stressed for transforming into realities—whenever circumstances require—oft repeated and proclaimed principles and standards.

These concepts, the observance of which, since the war, has acquired the nature of a "state of necessity" in the judgment of civilized man, have not come into being by chance, or in vain. The American republics have, in this respect, a responsibility for leadership, which has been and must continue to be their role in the task of building a free and peaceful world. Our continent is today the hope of the peoples of the world for a better life. Pusillanimity or unenlightened selfishness may counsel a passive attitude, but the result would then be that the mission of the Americas would transform itself into that of making our continent a refuge for evil doctrines, practices, and interests and into a field favorable to their future rebirth.

This Ministry is certain that no people and no government of the continent wishes such a sad fate for America. And it is in this certainty that it takes the liberty of addressing itself to Your Chancellery, and submitting that, in view of notorious events, there is a need for a collective multilateral pronouncement, using for that purpose some of the means already counseled; either by means of an advisory committee [*Comisión dictaminante*] or by an express consultation, or by including the subject in the proposed Conference of Rio de Janeiro.

Pan America, a Post-War Estimate

Address by ELLIS O. BRIGGS¹

[Released to the press November 20]

I am grateful for this opportunity to meet with you this afternoon and to take part in your discussion of Pan America and world organization. The point that I hope you will permit me to emphasize is that collective action taken to correct situations threatening the general welfare of the Americas is the normal and democratic way of handling our affairs.

May I say at the outset that I know of no one in our Government dealing with inter-American affairs who does not sincerely believe in the efficacy of the relationship which the twenty-one republics of this hemisphere have evolved during the past twelve decades, and more especially during the past fifteen years. The inter-American system is well-founded on experience. It is now sufficiently robust to cope with the great majority of the problems arising in the Western Hemisphere and to settle those problems. We are doing so today, and we propose to strengthen the inter-American system, not to submerge it, in the future.

We desire furthermore to maintain our hemisphere relationship within the framework of the United Nations Organization. We recognize that the hemisphere is an integral part of an indivisible world, and we have agreed that the Organization must be supreme in certain matters of enforcement. The Charter therefore gives the Organization the right and the power to prevent or suppress aggression at any time. But the Charter likewise provides that regional organizations shall have an important and responsible role in the peaceful settlement of disputes. The Charter re-emphasizes the inherent right of self-defense, and it defines the regional exercise of that right. It presupposes, in short, that the hemisphere is competent to handle its own affairs.

Our sister republics and ourselves have been preoccupied since well before the war with the problem of security. In the nine years beginning with the Buenos Aires conference we have been perfecting, step by step, our own procedure for dealing with threats of aggression. Our progress is traceable in the series of meetings—at Lima in

1938, at Panamá in 1939 immediately following the outbreak of hostilities, at Habana in 1940 after the fall of France, and at Rio de Janeiro in 1942—each of which represented a step forward in our search for hemisphere security. Finally, the American republics agreed in Mexico City last March that an attack *from any source* would automatically constitute an attack against all, and that they would consult in the event of any threat of aggression. That agreement is known as the "Act of Chapultepec".

At an early date we expect to enter into a treaty that will put the Chapultepec agreement, a temporary wartime measure, on a permanent basis. We are now actively preparing for a conference to be held at Rio de Janeiro for the specific purpose of negotiating and signing this treaty.

The proposed agreement will be a pact of military assistance. It is the first inter-American instrument of that character that our government has been prepared to undertake. Our own suggestions, shortly to be conveyed to the host Government of Brazil and to other governments for their preliminary consideration, have been drafted with the collaboration of members of the Congress and of the War and Navy Departments. We expect to receive between now and the date when the conference convenes in Rio valuable suggestions from other governments.

The primary purpose of this treaty will be the protection of the New World and its separate member states, but the agreement will also be in harmony with the United Nations Organization.

While we are thus collaborating with our neighbors in strengthening our own machinery and in gearing it to the equipment for peace of the United Nations, the world is painfully endeavoring to emerge from a devastating conflict. A struggle of that magnitude may well be a turning-point in civilization. All peoples, regardless of the degree of their participation, have been profoundly af-

¹ Delivered at the University of Pennsylvania, Philadelphia, Pa., on Nov. 20, 1945. Mr. Briggs is Director of the Office of American Republic Affairs, Department of State.

fects. Important political, social, and economic changes may come as a result of universal war. We cannot at this juncture identify these changes, or determine to what extent reconstruction in hungry, shattered Europe and reconversion in the United States are responsive to forces generated by the war. We recognize however that this is a time of unrest, of change, of suffering, and, we solemnly hope, of rebirth.

It is against this troubled background that we examine the 1945 relationship of the American republics—a group of twenty-one nations showing a wide diversity in culture, size, race, climate, religion, and resources. Geography made us neighbors, but it is the responsibility of the people themselves to determine by their conduct the degree to which we are to be good neighbors.

The policy of our country as enunciated by President Roosevelt more than twelve years ago is simple, understandable, and wise. That policy emphasizes *respect*—self-respect and mutual respect. “It is a two-way, not a one-way street to be traveled in dignity by both parties.” It endorses *consultation*, and by that it means the frank sharing of points of view among friends assumed to have the same basic interests. It stands for collaboration. It opposes *unilateral* intervention by one government in the affairs of another.

This doctrine of non-intervention, to which our Government is bound by a declaration enjoying the staunch support of the American people and by formal international engagement entered into on their behalf, does not however preclude speaking our own mind on issues we consider vitally important. It involves no sacrifice of integrity on our part, no surrender of principles, no turning a deaf ear to the voice of liberty raised by any people anywhere. It does not prohibit any government from taking counsel with others about the situation existing in one or more nations in our hemisphere, or from acting with other governments to correct conditions which prejudice the safety or welfare of the Americas.

Such action is not intervention: it is the legitimate exercise of collective initiative. It is fundamental alike to the New World relationship and to the United Nations Organization. Without it neither could function. No international association could prosper if it denied to its members separately the opportunity to express their opinions, to advocate among other members the adoption of

those opinions, or to seek multilateral action responsive to a decision arrived at following discussion. The right of self-expression—liberty of speech—is as fundamental as the right of self-defense.

It has been argued that the exercise of collective initiative is destructive to unanimity, and hence dangerous to continental solidarity. It would impair, these critics argue, the unity of the hemisphere.

The fallaciousness of this view is apparent to anyone who has taken the trouble to scrutinize the record. Unanimity among the American republics has seldom been present. It may exist as an ultimate objective—the ideal situation, if you like, in an ideal world—but unfortunately we do not yet live in an ideal world. We live in a battered universe, now groping forward and trying to find a better and more workable association.

In recent years a great deal of effort has been spent in seeking, especially at inter-American conferences, to have everyone agree upon everything. This not infrequently resulted in whittling down principles to fit the lowest unanimous denominator, so that instead of taking a vigorous forthright position which would have commanded the respect, if not the support, of all the people the American republics for the sake of twenty-one votes sometimes lowered their sights below the main target. They allowed the lowest unanimous denominator to become a low denominator in common.

Let us further examine the record. Of the major conventions negotiated in the past forty years, how many have been unanimously ratified? Twenty—fifteen—ten? Those answers are all too high. Of the one hundred or more treaties and conventions signed since 1890, only one of importance, the Pan American Sanitary Convention, has been ratified by all twenty-one republics.

Most of the agreements were ratified by from fourteen to nineteen countries—that is to say by a substantial majority, but by no means unanimously. Even in the case of inter-American resolutions, which generally do not call for subsequent legislative approval or implementation, you will often find reservations appended, testifying to exceptions taken by individual countries.

Notwithstanding this lack of unanimity, the nations of this hemisphere have on the whole a most enviable record. The great majority of our

boundary disputes have been settled by negotiation or arbitration. The Chaco war; which threatened the peace of a whole continent, yielded solution to inter-American mediation. The use of the waters of two great rivers has just been satisfactorily adjusted by treaty. We are cooperating with our neighbors with respect to problems resulting from wartime dislocation of trade. We have pledged ourselves to collaborate in a wide variety of fields of international endeavor.

Our future may not be smooth, but at least we have evidence that we are traveling in the right direction, even though each one of us may not choose to move abreast of all of the others.

It is suggested therefore that we revise our thinking about unanimity to accord more closely with the facts. Let us agree that when we speak of continental solidarity we have discarded both the idea of simultaneous acceptance by all of the American republics and the corollary notion that there is something unusual or unworthy in the failure of everyone to see eye to eye with everyone else on a given subject. Let us instead stick to the more reasonable and attainable objective of a substantial majority, and of seeing to it at the same time that the rights of the minority are fully protected.

We in the United States can be assured that there is nothing undemocratic in this appraisal of what we seek, for here we accept—whether it be in the town, the state, or the Federal Government—the guidance of a majority only. We do not attempt to hold that this majority be absolute or even substantial. We abide by the decision of a simple majority: three out of five, four out of seven, eleven out of twenty-one, for example.

All of this presupposes—as it must presuppose if we are to have faith in the future—that the essential basis of the inter-American relationship is a common interest in democratic ideals, as they affect internal political development and as they find expression in the conduct of international relations. We refer to those principles that enhance the dignity of man, that safeguard and preserve his freedom, and that are conducive to the attainment of orderly representative government, characterized by respect for law and fair elections.

It is conceded that some governments in this hemisphere have not come into power through democratic processes. Some have maintained their positions through other than constitutional means, or without the consent of the governed.

We do not intend to intervene to impose democracy. The peoples of those countries are primarily responsible. But we obviously feel a warmer friendship for and a greater desire to cooperate with those governments that rest on the periodically and freely expressed endorsement of the governed. With respect to other regimes, our sympathy is extended to the people themselves in their struggle for liberty.

The policy of non-intervention does not, as the Secretary of State declared three weeks ago, imply the approval of local tyranny. "We have learned", Mr. Byrnes continued, "that tyranny anywhere must be watched, for it may come to threaten the security of neighboring nations".¹

We believe that the people of the United States, one million of whose sons were casualties during the war, desire to profit by the experience of this costliest of lessons. We believe that the inter-American relationship, to the maintenance and further development of which our country is dedicated, demands that each nation state the facts as it sees them. We believe that by taking counsel together in an atmosphere of trust and understanding the American republics will arrive at solutions commanding the support of their peoples.

Finally, we are convinced that only through a practical application of the principles of democracy can we achieve the real solidarity of this hemisphere.

Release of Aviation Equipment to Argentine Purchasers

[Released to the press November 19]

The United States will release aviation equipment, including aircraft engines and personal and commercial type aircraft and parts, to authorized Argentine purchasers.

Export licenses so granted will be subject to the specific requirement that the equipment acquired will be used exclusively for civilian use in the development of private and commercial civil aviation in Argentina.

This action results exclusively from the progressive termination of wartime restrictions and is totally unrelated to any political considerations.

¹ From "Neighboring Nations in One World", address by the Secretary of State, as printed in the BULLETIN of Nov. 4, 1945, p. 709.

New Brazilian Administration

EXCHANGE OF NOTES BETWEEN BRAZILIAN MINISTER FOR FOREIGN AFFAIRS AND AMERICAN AMBASSADOR TO BRAZIL

MINISTRY OF FOREIGN AFFAIRS,
RIO DE JANEIRO, *October 30, 1945.*

MR. AMBASSADOR:

I have the honor to inform Your Excellency that as a consequence of occurrences already known by the public, the President of the Republic, Dr. Getulio Dornelles Vargas, resigned office last night, and has been substituted by the President of the Federal Supreme Tribunal, Dr. José Linhares, with the full support of the Brazilian armed forces.

His Excellency has taken charge of the Presidency of the Republic today, and has named the following Ministers of State:

Justice and Internal Affairs: Dr. A. de Sampaio Dória;

War: General of Division Pedro Aurélio de Góes Monteiro;

Foreign Affairs: Ambassador Pedro Leão Velloso;

Finance: Dr. J. Pires do Rio;

Transportation and Public Works: General João de Mendonça Lima;

Education and Health: Dr. Raul Leitão da Cunha;

Labor, Industry, and Commerce: Major Roberto Carneiro de Mendonça;

Aeronautics: Air Brigadier Major Armando Trompowsky.

There is order throughout the country, over which the authority of the new Government is freely exerted.

The elections for the new President of the Republic and for representatives of the country, as previously settled, will be held on December 2, of this year.

¹ The Secretary of State announced on Nov. 2 that the American Ambassador at Rio de Janeiro was instructed to carry on normal relations with the new administration in Brazil.

The Government will respect the principles which have always guided the foreign policy of Brazil.

I take this opportunity to renew to Your Excellency the assurances of my highest consideration.

P. LEÃO VELLOSO

His Excellency

Mr. ADOLF A. BERLE, Jr.

*Ambassador of the United States
of America.*

EMBASSY OF THE
UNITED STATES OF AMERICA

*Rio de Janeiro, Brazil,
November 3, 1945.*

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note of October 30, 1945 officially advising that His Excellency President José Linhares has become President of the United States of Brazil in succession to former President Getulio Vargas, and giving the names of the members of the new Cabinet appointed by President Linhares.

The Government of the United States of America looks forward to continuance and strengthening of the cordial and cooperative relations which it has always maintained with the Government of Brazil, and which have always existed between the people of our countries.¹

I take occasion to present to Your Excellency the assurances of my highest and most distinguished consideration.

ADOLF A. BERLE, Jr.

His Excellency

Dr. P. LEÃO VELLOSO,

*Minister for Foreign Affairs,
Rio de Janeiro.*

Second Pan American Ophthalmology Congress

[Released to the press November 20]

The Secretary of State announced on November 20 that the Government of the United States has accepted the invitation of the Government of Uruguay to be represented at the Second Pan American Ophthalmology Congress, which is scheduled to convene at Montevideo, Uruguay, on November 26, 1945, and that, with the approval of the President, Capt. Clifford A. Swanson (MC) U.S.N., and Dr. Walter P. Griffey, Senior Surgeon, United States Public Health Service, have been designated delegates on the part of the United States to the Congress.

The first Pan American Ophthalmology Congress was held at Cleveland, Ohio, in October 1940. The present Congress will be a technical meeting of eye specialists from the various American republics to discuss the developments in the field of Ophthalmology since the first Congress and to consider future problems and opportunities of the profession.

Payment by Mexico Under Claims Convention of 1941

[Released to the press November 20]

The Ambassador of Mexico has presented to the Secretary of State the Mexican Government's check for \$2,500,000 (United States currency), representing the fourth annual instalment due the United States under the claims convention concluded November 19, 1941. The Secretary of State requested the Ambassador to convey to his Government an expression of this Government's appreciation.

Under the terms of the convention, Mexico agreed to pay the United States \$40,000,000 (United States currency) in settlement of certain property claims of citizens of the United States against the Government of Mexico, as described in the convention. Payments heretofore made amount to \$13,500,000. With the present payment of \$2,500,000 the balance remaining to be paid amounts to \$24,000,000, to be liquidated over a period of years by the annual payment by Mexico of not less than \$2,500,000 (United States currency).

Investigation of the Pearl Harbor Attack

On November 23, 1945 the Department of State made public the testimony of former Secretary of State Cordell Hull as given before the Joint Committee on the Investigation of the Pearl Harbor Attack.¹ The text of the testimony as printed in Department of State press release 862 includes background of 1941 conversations, conversations and developments prior to July 1941, Japan's warlords' disclosure of their intention of further aggression, Japanese proposal for Roosevelt-Konoe meeting, Tojo cabinet and continuation of conversations, Japanese ultimatum of November 20 and our reply, and the last phase. Also included are three annexes: Record of the Secretary of State's conferences, consultations, and telephone conversations (as entered in engagement books) with representatives of the War and Navy Departments, November 20 to December 7, 1941; record of the Secretary of State's conversations in the State Department with representatives of the War and Navy Departments, October 1940–December 7, 1941; and arrangements for contacts between the Department of State and War and Navy Departments in 1940 and 1941.

Of special interest to readers of this BULLETIN and other State Department publications was Mr. Hull's comment that "A comprehensive documentary history of these conversations, as well as of the whole course of our relations with Japan during the fateful decade from 1931 to 1941, which began and ended with acts of aggression committed by Japan, was prepared and published by the Department of State shortly after the attack at Pearl Harbor. It comprises well over 2,000 pages and is contained in the volume entitled *Peace and War, United States Foreign Policy, 1931–1941*, and much more fully in the two volumes entitled *Foreign Relations of the United States, Japan, 1931–1941*. It is, I believe, the most complete account of a diplomatic record ever published so soon after the events to which it relates."

¹ S. Con. Res. 27, 79th Cong., 1st sess.

Transmittal of Supplementary Protocol Amending the International Agreement for the Regulation of Whaling

THE PRESIDENT'S MESSAGE TO THE SENATE

[Released to the press by the White House November 23]

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of a supplementary protocol concerning whaling signed at London on October 5, 1945, for the Governments of the United States of America, Canada, the United Kingdom of Great Britain and Northern Ireland, the Republic of Mexico, New Zealand, and Norway. The purpose of the present protocol is to bring into force, without awaiting the accession thereto of the Government of Eire, the protocol signed at London on February 7, 1944 amending the international agreement for the regulation of whaling signed at London on June 8, 1937, as amended by the protocol signed at London on June 24, 1938.

With the supplementary protocol of October 5, 1945 I transmit for the information of the Senate the report relating thereto made to me by the Secretary of State.

HARRY S. TRUMAN

THE WHITE HOUSE,
November 23, 1945.

REPORT TO THE PRESIDENT FROM THE SECRETARY OF STATE

November 20, 1945.

THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a certified copy of a supplementary protocol concerning whaling signed at London on October 5, 1945 for the Governments of the United States of America, Canada, the United Kingdom of Great Britain and Northern Ireland, the Republic of Mexico, New Zealand, and Norway.

The purpose of the protocol herewith submitted is to bring into force, without awaiting the accession thereto of the Government of Eire, the protocol signed at London on February 7, 1944

(Senate Executive D, 78th Congress, 2d Session) amending the international agreement for the regulation of whaling signed at London on June 8, 1937 (Treaty Series 933) as amended by the protocol signed at London on June 24, 1938 (Treaty Series 944).

As provided in paragraphs (i) and (ii) of Article 7 of the aforementioned protocol of February 7, 1944, that protocol could not come into force until instruments of ratification thereof or accession thereto had been deposited on behalf of the Governments of the United Kingdom of Great Britain and Northern Island, the United States of America, Canada, Eire, Mexico, New Zealand, and Norway. Such instruments have been deposited for each of those Governments with the exception of the Government of Eire. The supplementary protocol of October 5, 1945 has therefore been signed with a view to bringing into force the protocol of February 7, 1944 at the earliest practicable date in order that it will be effective during the 1945-1946 whaling season.

Respectfully submitted,

JAMES F. BYRNES

RUBBER STUDY GROUP—Continued from page 840

the Group meetings showed that plant manufacturing costs in the U.S.A. have declined markedly in the recent past and are more than covered by the present selling price of 18½ U.S. cents per pound for general purpose synthetic. Indications were given that the trend of production costs is still downward.

It was considered that the uncertainties of the situation in the Far East made it impossible to reach any conclusions about probable costs of production of natural rubber in normal conditions.

8. The terms of reference of the Group provide that other interested Governments shall be kept informed of its work and steps will be taken to this end.

9. It is hoped to arrange a further meeting of the Group as soon as more adequate information is available of developments in the rubber producing areas.

Status of Civil Aviation Documents Concluded at Chicago December 7, 1944

DATES OF SIGNATURES

SUBSEQUENT ACTION TAKEN

Country	Final Act	Interim Agreement	Convention	Transit Agreement (Two Freedoms)	Transport Agreement (Five Freedoms)
Afghanistan	X	X	X	X	X
Australia	X	X	X	7/4/45	
Belgium	X	4/9/45	4/9/45	4/9/45	
Bolivia	X	X	X	X	X
Brazil	X	5/29/45	5/29/45		
Canada	X	X	X	2/10/45	
Chile	X	X	X	X	
China	X	X	X		X
Colombia	X	5/24/45			
Costa Rica	X	3/10/45	3/10/45	3/10/45	3/10/45
Cuba	X	4/20/45	4/20/45	4/20/45	4/20/45
Czechoslovakia	X	4/18/45	4/18/45	4/18/45	
Dominican Republic	X	X	X		X
Ecuador	X	X	X	X	X
Egypt	X	X	X	X	
El Salvador	X	5/9/45	5/9/45	5/9/45	5/9/45
Ethiopia	X	3/22/45		3/22/45	3/22/45
France	X	X	X	X	
Greece	X	X	X	X	
Guatemala	X	1/30/45	1/30/45	1/30/45	1/30/45
Haiti	X	X	X	X	X
Honduras	X	X	X	X	X
Iceland	X	X	X	4/4/45	4/4/45
India	X	X	X	X	
Iran	X	X	X	X	
Iraq	X	X	X	X	
Ireland	X	X	X		
Lebanon	X	X	X	X	¹ X
Liberia	X	X	X	X	X
Luxembourg	X	7/9/45	7/9/45	7/9/45	
Mexico	X	X	X	X	X
Netherlands	X	X	X	X	¹ X
New Zealand	X	X	X	X	
Nicaragua	X	X	X	X	X
Norway	X	1/30/45	1/30/45	1/30/45	
Panama	X	5/14/45			
Paraguay	X	7/27/45	7/27/45	7/27/45	7/27/45
Peru	X	X	X	X	X
Philippine Commonwealth	X	X	X	X	
Poland	X	X	X	X	
Portugal	X	X	X		
Spain	X	X	X	X	
Sweden	X	X	X	X	X
Switzerland	X	X	7/6/45	7/6/45	
Syria	X	X	X	7/6/45	³ 7/6/45
Turkey	X	X	X	X	³ X
Union of South Africa	X	6/4/45	6/4/45	6/4/45	
United Kingdom	X	X	X	¹ X	
United States	X	X	X	X	X
Uruguay	X	X	X	X	X
Venezuela	X	¹ X		¹ X	¹ X
Yugoslavia	X				
Danish Minister	X	X	X	X	X
Thai Minister	X	X	X	X	X

Country	Interim Agreement (Date of acceptance)	Convention (Date of deposit of ratification)	Transit Agreement (Date of receipt of note of acceptance)	Transport Agreement (Date of receipt of note of acceptance)
Afghanistan	5/16/45		5/17/45	5/17/45
*Australia	5/19/45		8/28/45	
*Belgium	4/17/45		7/19/45	
Bolivia				
*Brazil	5/29/45			
*Canada	12/30/44		2/10/45	
*Chile	6/4/45			
*China	6/6/45			¹ 6/6/45
*Colombia	6/6/45			
Costa Rica				
Cuba				
*Czechoslovakia	4/18/45		4/18/45	
Denmark	11/13/45			
Dominican Republic				
Ecuador				
*Egypt	4/26/45			
*El Salvador	5/31/45		6/1/45	6/1/45
Ethiopia	3/22/45		3/22/45	3/22/45
*France	6/5/45			
Greece	9/21/45		9/21/45	
Guatemala				
Haiti	6/2/45			
Honduras	11/13/45		11/13/45	11/13/45
Iceland	6/4/45			
*India	¹ 5/1/45		¹ 5/2/45	
Iran				
*Iraq	6/4/45		6/15/45	
Ireland	4/27/45			
Lebanon	6/4/45			
Liberia	3/17/45		3/19/45	3/19/45
Luxembourg	7/9/45			
*Mexico	5/22/45			
*Netherlands	1/11/45		1/12/45	² 1/12/45
New Zealand	¹ 4/18/45		¹ 4/19/45	
Nicaragua				
*Norway	1/30/45		1/30/45	
Panama				
Paraguay	7/27/45		7/27/45	7/27/45
*Peru	5/4/45			
Philippine Commonwealth				
Poland	4/6/45	4/6/45	4/6/45	
Portugal	5/29/45			
Spain	7/30/45		7/30/45	
Sweden	7/9/45		11/19/45	11/19/45
Switzerland	7/6/45		7/6/45	
Syria	7/6/45			
*Turkey	6/6/45		6/6/45	¹ 6/6/45
Union of South Africa				
*United Kingdom	¹ 5/31/45		¹ 5/31/45	
*United States	2/8/45		¹ 2/8/45	¹ 2/8/45
Uruguay				
Venezuela				
Yugoslavia				
Thai Minister				

X indicates signatures under date of Dec. 7, 1944. ¹ Ad referendum.

² Reservation; relinquished Sept. 21, 1945. ³ Reservation.

⁴ Reservation excluding Newfoundland withdrawn by Great Britain, Feb. 7, 1945.

*Elected to first Interim Council.

¹ Reservation.

² Reservation; relinquished Sept. 21, 1945.

Compiled as of Nov. 23, 1945, by the Treaty Branch, Division of Research and Publication, Department of State.

Addendum

DIRECTIVE FROM GENERAL MACARTHUR TO THE IMPERIAL JAPANESE GOVERNMENT

General MacArthur's directive to the Japanese Government printed in the BULLETIN of November 4, 1945, page 730, was dated October 4, 1945.

WILCOX—Continued from page 836.

that they should avoid using a monopoly of imports to give excessive protection to their own producers.

"We intend to propose that international cartels and monopolies should be prevented by international action from restricting the commerce of the world.

"We intend to propose that the special problems of the great primary commodities should be studied internationally, and that consuming countries should have an equal voice with producing countries in whatever decisions may be made.

"We intend to propose that the efforts of all countries to maintain full and regular employment should be guided by the rule that no country should solve its domestic problems by measures that would prevent the expansion of world trade, and no country is at liberty to export its unemployment to its neighbors.

"We intend to propose that an International Trade Organization be created, under the Economic and Social Council, as an integral part of the structure of the United Nations.

"We intend to propose that the United Nations call an International Conference on Trade and Employment to deal with all these problems.

"In preparation for that Conference we intend to go forward with actual negotiations with several countries for the reduction of trade barriers under the Reciprocal Trade Agreements Act.

"Success in those negotiations will be the soundest preparation for the general conference we hope will be called by the United Nations Organization."

These proposals are based upon the conviction that the world's economy should be organized to produce plenty rather than scarcity, that it should operate so as to unite nations rather than divide them. They point the way toward the common goals of all mankind—prosperity and peace.

THE DEPARTMENT

Appointment of Special Adviser on Organization and Administrative Matters

[Released to the press November 23]

The Secretary of State announced on November 23 the temporary assignment to the State Department of Maj. Gen. Otto L. Nelson as a Special Adviser on organization and administrative matters.

In this capacity, General Nelson, under the direction of the Assistant Secretary for Administration, will conduct a survey of the administrative practices of the State Department, recommend improvements, consolidations, and economies, and supervise the carrying out of approved recommendations.

Appointment of Officers

Charles Bunn as Economic Adviser in the Office of International Trade Policy, effective November 14, 1945.

THE FOREIGN SERVICE

Consular Offices

The office of the American Maritime Delegate at Angra do Heroismo, Azores, was closed on November 17, 1945.

THE CONGRESS

United Nations Relief and Rehabilitation Administration, 1946: Hearings Before the Subcommittee of the Committee on Appropriations, House of Representatives, Seventy-ninth Congress, first session, on a house joint resolution making appropriations for the United Nations Relief and Rehabilitation Administration, for the fiscal year 1946. ii, 273 pp. [Department of State pp. 1-14; 111-131; 203; 238-247; 269-70.]

Providing for the Rehabilitation of the Philippine Islands. S.Rept. 755, 79th Cong., to accompany S. 1610. 19 pp.

Repatriation of the Remains of Persons Buried Outside the Continental Limits of the United States. H.Rept. 1272, 79th Cong., to accompany H.R. 3936. 2 pp.

To Amend the First War Powers Act of 1941. H.Rept. 1269, 79th Cong., to accompany H.R. 4571. 19 pp. [Favorable report.]

Granting Permission for Certain Employees of the Civil Aeronautics Administration to Accept British Empire Medals Tendered by the Government of Canada in the Name of His Britannic Majesty King George VI. H.Rept. 1268, 79th Cong., to accompany S.J.Res. 51. [Favorable report.]

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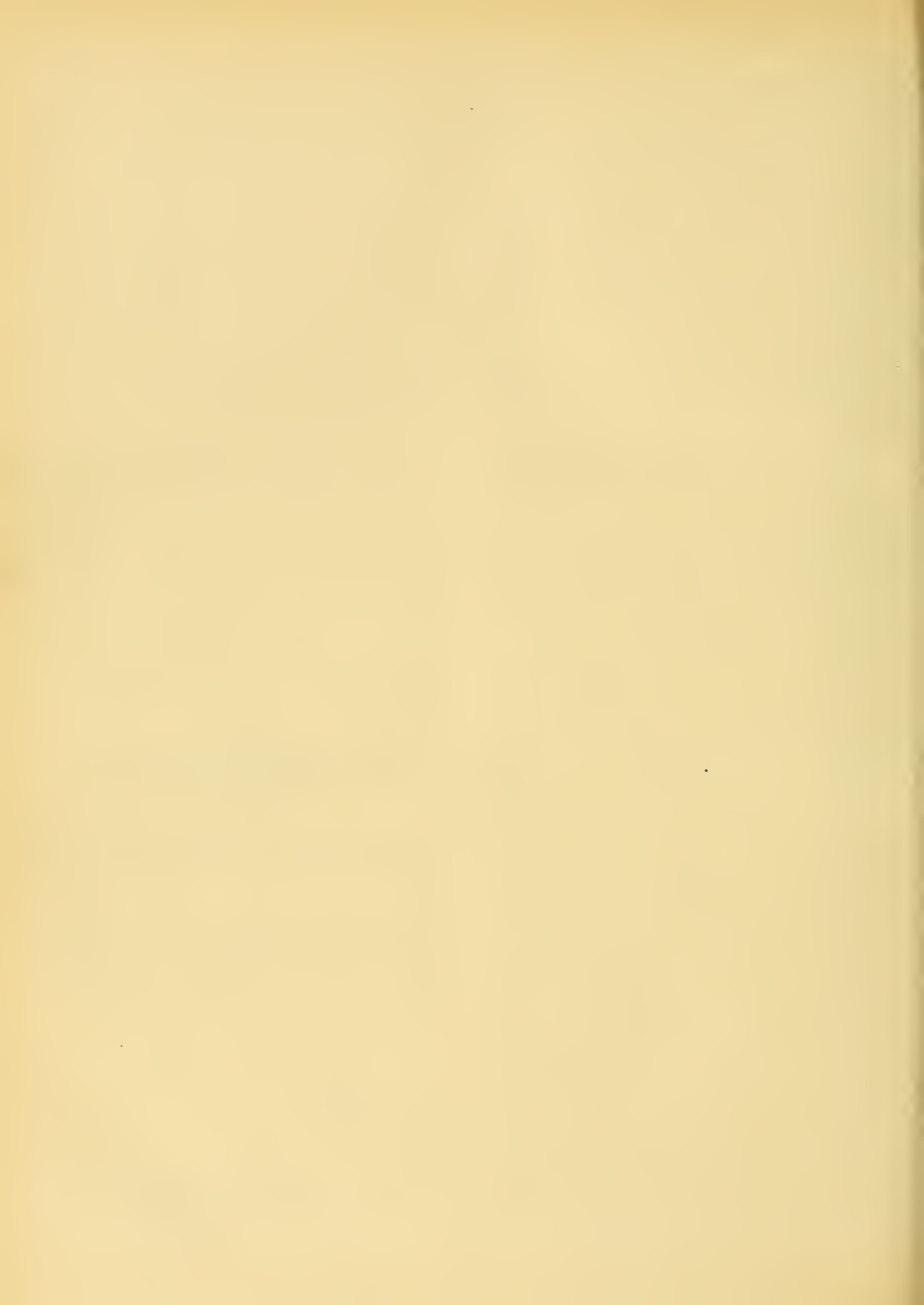
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755377-336

THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 336

DECEMBER 2, 1945

In this issue

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FUEL NEEDS IN WAR-TORN COUNTRIES: THE EUROPEAN COAL ORGANIZATION

By Wayne G. Jackson

RELATIONS BETWEEN THE AMERICAN FORCES OF OCCUPATION AND THE
GERMAN PEOPLE

Byron Price's Report to the President

*For complete contents
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THE DEPARTMENT OF STATE BULLETIN



VOL. XIII • No. 336 • PUBLICATION 2434

December 2, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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Fuel Needs in War-Torn Countries: The European Coal Organization

BY WAYNE G. JACKSON¹

THE SUCCESS of the European Coal Organization reaffirms the belief that the many plans for international economic collaboration can be brought into operation. In the ECO a majority of the European Allied countries and the United States are working together to find an equitable solution to the problems posed by the serious fuel shortage existing in Europe. There are two important aspects of this statement: The countries are working together, and they are dealing with one of their most acute problems. It is being demonstrated that collaboration is not only possible but also practicable and that the working out of a common solution of a common problem can be achieved in a field of utmost seriousness and urgent importance. The confidence inspired by one successful venture may have effects out of all proportion to the intrinsic scope of that venture, and for just that reason we may be encouraged by ECO, in whose favorable development the United States has played a major role.

By the middle of 1944 it was recognized that the coal problem on the European Continent would be one of major proportions. Transportation, electric power, manufacturing, all depend largely on coal in Europe. Although in pre-war days the Netherlands and Belgium were largely self-sufficient in coal, France was always a substantial importer, and most of the other European countries depended largely or entirely on coal imports from Germany, Poland, and England. None of these sources could meet continental needs either during the first stages of liberation or even after the end of hostilities. British coal production decreased substantially as a result of manpower shortages and lowered productivity of mines and equipment as well as an accumulation of other causes. The immediate military needs could be met in part with British coal through strict rationing in the British Isles, but little beyond such needs could be sup-

plied. Polish coal could not be transported to western or southern Europe even if there were manpower and machinery in Poland to produce it; and German coal was, of course, unavailable. Western European resources were greatly diminished because of the damage to mines in France, Belgium, and the Netherlands resulting from combat operations and enemy demolitions, and by manpower and equipment shortages. The anticipation that the coal problem would be acute was realized. As the German Armies were pushed farther east and finally defeated, it was found that all western European coal production was severely limited and that transportation was so demoralized and damaged that movements were restricted even beyond production.

Though progress has been made, the supply situation remains critical. Production has been re-established in France to a large degree; in Belgium and Holland to a lesser extent. All three countries suffer from lack of equipment and trained manpower. The deficiency of food and other consumer goods makes the maintenance of an effective working force extremely difficult. When a miner cannot buy food for his wages, he finds that spending part of his time tending his garden or combing the country farms for food is more attractive than working in the mine-pits for money with which there is little or nothing to buy. An interesting by-product of the German policy of using forced labor in the mines has been reported. It is said that mining has come to be looked upon as an inferior occupation so that new workers are hard to recruit.

German coal production is likewise at a greatly reduced figure. Many of the same problems exist—lack of trained labor, a high rate of absenteeism, physical destruction, and deteriorated equipment; in addition, serious labor-manage-

¹ Mr. Jackson is Associate Chief, War Areas Economic Division, Office of International Trade Policy, Department of State.

ment problems which have existed for many years have been intensified by the identification of management with the Nazi Party. Transportation is even more seriously affected than is production. German railroads were a primary target of our bombing campaigns. Much German coal was moved by barges on the Rhine and canals, and the demolition of bridges and canal structures during hostilities has severely hampered movement. Today, all the coal produced in the great Ruhr fields cannot be moved.

It is against this background of severe shortage that the European Coal Organization must be evaluated. The Allied armies, anticipating the coal problem, had competent coal experts ready to move into Europe after the invasion. These men did an excellent job in working with the local coal producers to reactivate the mines and in coordinating western European coal distribution. In this way the armies supplemented the coal which they imported. But it was apparent that the moving forward of operational lines and the termination of military dominance of the economies of the liberated areas would leave an acute coal problem still unsolved. If there was to be equity of distribution of available fuel among claimants for imported coal and a coordination of needs for materials and equipment, some continuing mechanism was necessary.

Preliminary exchanges of ideas on the formation of a European organization to handle this problem were held in the late summer and fall of 1944 between the United States, Great Britain, and the Soviet Union. Early in 1945 the French were included in the discussions. It was not possible to reach complete agreement regarding the functions and terms of reference of the Organization, primarily because of the complications arising out of the possible relation of German coal deliveries to reparations. Substantial agreement was reached by the American, British, and French Governments, however, and because of the urgent nature of the problem those Governments decided to proceed with the formation of a European Coal Organization with as many adherents from among the European Allies as cared to join. At a meeting in London on May 18, 1945 the Organization was formed with the following members: Belgium, Denmark, France, Greece, Luxembourg, the Netherlands, Norway, Turkey, the United Kingdom, and the United States. Representatives of Czechoslovakia and Yugoslavia attended as ob-

servers in the absence of instructions from their Governments to join as full members.

The Organization is an informal one. Under its terms of reference it has no delegated authority and is only a forum in which discussion may be held of the pressing problems of coal production and distribution and a means by which recommendations concerning methods for alleviating coal shortages can be made to the appropriate authorities. It has no funds, as an organization, and its staff is provided by the member countries. Any action it may take must be by mutual consent; there is no provision for voting. Obviously its success would depend entirely upon the spirit in which its members would cooperate.

To launch the Organization, the Allied military authorities lent to it a number of British and American officers and men who had been working on western European coal problems under SHAEF. The British Government provided office space and administrative facilities. In addition, the British supplied a full-time civilian chairman, John C. Gridley, whose competence and objective fair-mindedness have contributed greatly to ECO's success. The French Government provided a full-time secretary, M. Aicard. Other members have subsequently supplied additional personnel. This staff carries on in an expanded form the statistical and reporting work formerly done by SHAEF, receives and circulates to members statements of requirements and availabilities, deals with the Control Authorities with respect to German coal, and in general acts as the operating secretariat of the Organization.

Aside from this secretariat, there are several working committees of representatives of interested members as well as the full board of the Organization itself. Perhaps the most important operating group is the Allocation Proposals Committee, which meets at least monthly to recommend the distribution among member claimants of available imports. That the members on that committee have been able in each case to reach unanimous agreement is a tribute to their sincere desire to cooperate. Initially there was placed before this group a statement of total availabilities for a particular month—from American, British, and German sources. But it immediately became apparent that no progress could be made before a tentative schedule of allocations was presented which took into account stated requirements and movement possibilities. The secretariat was re-

quested to prepare such a schedule, which was then subject to critical discussion by the members.

The process of allocation, procurement, and shipping for American coal requires several weeks; the time schedule for German coal is much shorter. Therefore, at each monthly allocation meeting the ECO committee considers deliveries for the next three months, adjusting for past variance between allocations and deliveries and making firm recommendations for one month and tentative recommendations for the next two.

These meetings are no cut and dried ratifications of secretariat action. Each claiming member knows that his country is dangerously short of coal and will be, regardless of what division of imports is made. He is therefore under severe pressure to obtain as much coal as possible. Members feel free to question others on the use to which coal is being put, on the availability of alternative fuels and power, and on any other relevant factor. At the allocations meeting in August it was brought out, for example, that the following countries were budgeting the following amounts of coal for household heating for each family for the coming winter: France, 800 lbs.; Belgium, 2,000 lbs.; the Netherlands, 1,300 lbs.; Denmark, 1,000 lbs.; Norway, none. The differences were due in part, it was explained, to the possibility of using firewood, to the variations in climates, and to different solutions to the problem of competing uses. When a member, knowing that his country will have cold homes, idle factories, and inadequate transportation, will support another country in its claim for more coal, even at the expense of his own tentative allotment, it is clear that a spirit of the mutual solution of mutual problems has come into being.

The absence of a voting procedure, which might appear a weakness of the Organization, is in fact one of its strengths. Agreement must be reached in order to function, and the member countries have risen to the occasion. Doctrinaire questions of delegation of sovereignty have been avoided, and necessary action has been taken. On one occasion when it appeared that deliveries of German coal to Luxembourg had fallen badly behind schedule, the members unanimously agreed that first priority should be given to deliveries to Luxembourg during the following month to relieve the situation. The members of ECO, recognizing the extreme distress Greece has gone through, and which

is still not entirely relieved, have recommended that Greek claims, which are made in conjunction with UNRRA, and which are modest in size, be met in full. Such decisions might be expected if there were a situation of comparative plenty or a tradition of international responsibility, but neither of these conditions exists.

The recognition of the claim of one country as more pressing may mean added unemployment and shivering children in the country of another. The continental Allies, furthermore, are emerging from a period of occupation in which normal interrelations were cut off and the struggle for individual survival was paramount. It is these actions which give ECO its value and make it an encouraging development. This point is recognized by the participating governments. The national representatives realize they are taking part in a freely cooperative action, are learning the problems of their sister countries, and are acting on the knowledge that Europe's problems cannot be solved in terms of a single country but only on a European basis.

The authorities of the supplying countries have supported ECO now that it has shown its ability to operate. The Organization's recommendations have been accepted completely by the United States, the United Kingdom, and the Control Authorities for coal from the western zones of Germany. The lack of delegated authority, therefore, has been no handicap, but by being effective ECO has acquired to all intents and purposes allocating authority. Relations with the Control Authorities have been close and harmonious; UNRRA appears with the representatives of participants whose needs it will finance; the staff of ECO works closely with the European Central Inland Transport Organization in resolving movements problems.

Although ECO is an emergency body whose life will be limited to the critical period, it is hoped that its scope will include all the European coal problem. Poland is making a careful study before deciding whether to accept the invitation to affiliate with ECO. Many countries that were and that will again be dependent on Polish coal could more easily resolve their difficulties if Polish availabilities were coordinated with those of other sources. Full Czechoslovak participation may depend on the Polish decision because of the de-

(Continued on next page)

Secretary Comments on Criticism by Ex-Ambassador Hurley

AT THE SECRETARY OF STATE'S press and radio news conference on November 28 a correspondent stated that former Ambassador Hurley had made some very serious charges about the American Foreign Service in China, and the correspondent asked the Secretary whether there was any comment he could make.

The Secretary asserted that he greatly regretted that Ambassador Hurley could not see his way clear to return to China.¹ He said that he had talked with the Ambassador the day before (November 26) and expected that he would return to China on Wednesday, November 28, but Mr. Hurley had later advised him that he could not. The Secretary added that he talked to Mr. Hurley over the telephone on Tuesday and Mr. Hurley had said that he had determined, after reading some speeches of Congressmen and believing that the speeches possibly had been based upon information from the State Department, that he could not return. Mr. Byrnes declared that the Ambassador, during the war, had served in some important missions with efficiency, and he greatly

regretted that he could not return as he had urged him to do.

Asked whether he had investigated the charges made by Mr. Hurley, the Secretary explained that the Ambassador had mentioned to him a month ago two employees of the Department—John Service and George Atcheson—who, one in 1944 and one in February 1945, had taken positions or held views that differed from his views in the accomplishment of the mission in Chungking. Mr. Byrnes said that he had read a report on the matter which impressed him, and that there was evidently a difference of opinion as to the peace-making which had been attempted in order to restore unity and to bring the two factions together. The Secretary disclosed that he had advised the Ambassador that neither Mr. Atcheson nor Mr. Service was now in China, and that, as long as he was Secretary of State, he would hold the Ambassador responsible, adding that if there was anybody in the Embassy who interfered with him that man would be removed. The Secretary said that Mr. Hurley had expressed his great pleasure to him, as

WAYNE G. JACKSON—*Continued from page 881.*

pendence of Czechoslovakia on Polish coal. Italian requirements will be considered and will be presented by UNRRA and the Allied Commission until such time as Italy becomes fully affiliated. Informal overtures have been made by Switzerland, Sweden, and Portugal, and eventually their needs will have to be met again from European sources. The members of the Control Council for Austria have discussed the utilization of ECO for handling Austrian requirements, but here again full Polish and Czechoslovak participation is almost a condition precedent.

Aside from the statistical work done by the staff and the coal-allocation recommendations ECO has dealt with allocation among its members

of briquetting pitch and has assisted in the finding of mining supplies and mine timber. In this last field it has worked in conjunction with the Emergency Economic Committee for Europe, a somewhat parallel body.²

The United States can be gratified at the role it has played in the development of ECO. Aside from pressing for its formation, this Government has backed ECO's operations by supplying personnel and by making our exports to member countries subject, in effect, to ECO recommendations. Last summer's decision to make substantial quantities of coal available for Europe and the subsequent shipments³ have been of incalculable importance and may have meant the difference between stability and serious disorders in Europe during the coming winter. Aside from the physical benefits, the fact that we have cooperated whole-heartedly in this body which is putting the theories of international collaboration into practice has been of equal substantive effect. This small investment of confidence may pay very substantial dividends.

¹ On Nov. 27, 1945 the White House announced that the President had accepted the resignation of Maj. Gen. Patrick J. Hurley as Ambassador to China.

² An article by Mr. Jackson on the Emergency Economic Committee for Europe will appear in a later issue of the BULLETIN.

³ BULLETIN of Aug. 5, 1945, p. 180.

he had publicly, at that backing and had said that no man could ask for more.

Mr. Byrnes explained later under questioning that he had expressed to the Ambassador the hope that, when he had the assurance of the complete backing of the President and the Secretary of State, he could go on from here, and then next week he and Mr. Hurley could look back and see what somebody did in 1944.

In reply to a query the Secretary disclosed that he had investigated in order to determine whether Mr. Acheson and Mr. Service were placed in supervisory positions upon their return to the Department, and that, according to the Department records, they were not.

Asked whether he had any evidence for or against Mr. Hurley's charges that some of the Foreign Service people were favoring Communism and imperialistic blocs as against American policy, particularly with reference to Mr. Acheson and Mr. Service, the Secretary replied in the negative, pointing out that substantially the statement which was made in the release about these two gentlemen was made to him. When the Secretary was asked whether he planned further investigation of the charge that these gentlemen were acting against American policy, Mr. Byrnes said that he was going to read the reports. He added that his advices were that, while the Ambassador was away and Mr. Acheson was in charge, the latter wrote a letter to the Department stating his views as to how we could best promote unity between the two factions and thus promote the carrying on of the war, and that there are statements in that communication to which the Ambassador took exception. The Secretary said that was the only specific statement the Ambassador made to him and he was going to go into it. Later the Secretary pointed out that according to his information the recommendations of the Ambassador were followed and not the recommendations of the employees, stating that the Secretary's predecessor followed the recommendations of the Ambassador.

A correspondent asked whether the investigation has been narrowed to the activities of the two men, Mr. Acheson and Mr. Service, and added that he understood that Mr. Hurley referred to other Foreign Service officers in his criticism. Mr. Byrnes asserted that he did not so understand, explaining that the only two names that the Ambassador mentioned to him were the two that he had mentioned.

Appointment of General Marshall as Ambassador to China

The White House announced on November 27, 1945 that the President had appointed Gen. George C. Marshall as his special envoy to China with personal rank of Ambassador.

Asked for comment on charges by Mr. Hurley that this country has been supporting the imperialistic bloc and that a considerable section of our State Department is endeavoring to support Communism generally, as well as specifically in China, Mr. Byrnes said that he had read in the newspapers that he ought to investigate the Department, that there is a definite anti-Russian bloc here and they will influence his decisions, and that he had also read that there was a definite pro-Russian bloc and that he had to watch that crowd. The Secretary added that he imagined that all kinds of opinions were in his Department and that might not be so very bad, if true.

A correspondent said that during the war the United States policy was to support a strong unified central government of China, perhaps to the exclusion of some opposition elements, and requested clarification of this Government's policy toward China. The Secretary said that there was no change in the policy of the United States as to China, pointing out that the United States was implementing the terms of surrender and that United States troops were in north China for the purpose of disarming and repatriating Japanese in accordance with the statement made last August 16. Mr. Byrnes said that that is the goal so far as the United States can lend its good offices to bringing about unity of factions, adding that the United States certainly would be happy to exercise them now as it has been doing in the last few years.

The Secretary was asked how soon General Marshall would go to China, to which he replied that he had just left the General, that an agreement as to when he would go had not been reached, but that he would see General Marshall again that afternoon in order to go over the situation in further detail.

American Proposal To Withdraw All Foreign Troops From Iran

[Released to the press November 26]

The American Ambassador in Moscow, acting under instructions from the Secretary of State, delivered a note to the Soviet Government on November 24 concerning the situation in Iran. The proposal concerning withdrawal of all foreign troops from Iran contained in this note has also been made simultaneously to the British Government.

The note to the Soviet Government reads textually as follows:

"The Government of Iran has informed the Government of the United States that armed uprisings have taken place in areas of northern Iran where Soviet troops are stationed; that the Iranian Government has directed certain of its armed forces to enter those areas for the purpose of reestablishing internal security and its own authority; that Soviet military commanders have refused to permit these forces to proceed; and that consequently the Iranian Government has not been able to carry out its responsibility for the maintenance of peace and order in Iranian territory.

"It will be recalled that on December 1, 1943, Marshal Stalin, Prime Minister Churchill and President Roosevelt signed in Tehran a declaration in which they stated that their Governments were 'at one with the Government of Iran in their desire for the maintenance of the independence, sovereignty and territorial integrity of Iran'. This Government has entire confidence that the Governments of the Soviet Union and Great Britain are just as zealous as the Government of the United States meticulously to abide by the assurances contained in this declaration. In the view of this Government the fulfillment of these assurances requires that the Government of Iran should have full freedom, without interference from Soviet, British, or American military or civil authorities, to move its armed forces through Iran in such a manner as it may consider necessary in order to preserve its authority and to maintain internal security.

"The Government of the United States realizes that any Soviet commanders in the areas concerned who may have prevented the free movement of Iranian forces may have been acting without the sanction of the Soviet Government. If the Soviet commanders have been acting without instructions in this matter, it is assumed that the Soviet Government is issuing to them instructions in keeping with the declaration referred to above. In any event the situation which has arisen has convinced the American Government that it would be in the common interest for all Soviet, British, and American troops to be withdrawn immediately from Iran. As long as any of these troops remain in the territory of a friendly government, incidents and misunderstandings are likely to occur. The Government of the United States has already reduced its forces in Iran during the present year from a maximum strength of approximately 28,000 to less than 6,000. There are no American combat troops in Iran. Those who remain are engaged in activities exclusively of a service nature connected with the liquidation and disposal of military supplies and the operation of certain important communications connected with demobilization. While the immediate withdrawal of these troops will cause considerable inconvenience to this Government, nevertheless instructions are being issued to the American military authorities in Iran to take immediate steps to effect the complete withdrawal of all American forces from Iran by January 1, 1946. This Government proposes that the British and Soviet Governments issue similar instructions to their commanders and that arrangements be made immediately for the complete withdrawal of all foreign troops from Iran by January 1, 1946. Immediate steps to effect such withdrawal would dispel any doubt regarding the intentions of the three Governments to carry out the assurances given by them. In making this suggestion the Government of the United States is aware that no undertaking has been given that these troops are to be removed from Iran before March 2, 1946. On the other hand, now that hos-

(Continued on page 899)

Relations Between the American Forces of Occupation and the German People

REPORT OF BYRON PRICE TO THE PRESIDENT

[Released to the press by the White House November 28]

Texts of identical letters from the President to the Secretary of State, Secretary of War, and Secretary of the Navy

DEAR MR. SECRETARY:

I am enclosing a copy of the report of Byron Price dated November 9. I asked Mr. Price to go to Germany to study the relationship between the American Forces of Occupation and the German people.

Mr. Price, as you know, is an able and experienced observer, and I believe that his report is worthy of the most careful consideration. You will note that the Price report embodies eight specific suggestions.

It is requested that the Secretaries of State, War and Navy give careful consideration to this report, with a view to taking whatever joint action may be indicated.

Sincerely yours,

HARRY S. TRUMAN

[Enclosure]

MEMORANDUM TO THE PRESIDENT:

This report is submitted in response to your request of August 30 that I survey "the general subject of relations between the American Forces of Occupation and the German people" so that you might have the benefit of a wholly detached view of this highly important situation.

The statements of conditions are based on trustworthy information gathered from many sources during ten weeks of inquiry, mostly inside Germany itself. The conclusions and recommendations are entirely my own.

Considering all of the difficulties, which few people in this country are in a position to understand, General Eisenhower and his staff have done better than a good job governing the German population of the American Zone.¹ Mistakes have been made and some confusions persist, but in general relations with the mass of Germans are on

a sound basis. In so large and complex an operation no one should ask for perfect results in so short a time unless he expects miracles.

Now, at the end of six months, the entire field of these relationships is turning a corner. Actual disarmament and demilitarization of the German nation are nearing completion, and purely military problems are being replaced by entirely different but equally difficult problems of civil administration. Our ranking military leaders feel that the administrative machinery of the Army is not well adapted to the tasks of governing a foreign population. New decisions thus are required, and the responsibility of those decisions, involving questions of high national policy, rests heavily on Washington.

It may possibly be helpful to you in meeting the responsibility if I state the principal problems bluntly, as I see them.

The entire basic structure of Military Government in Germany, including the Potsdam Declaration, should be reexamined in the light of experience and new conditions.²

¹The southwestern zone of Germany, including such cities as Mannheim, Nürnberg, Stuttgart, and Munich. For map showing the zones in Germany occupied by U.S.S.R., U.K., France, and U.S., see BULLETIN of Aug. 19, 1945, p. 275.

²At the President's press conference on Nov. 29, 1945, a correspondent called attention to this recommendation and asked the President whether any steps were being taken to alter the declaration. The President replied that this Government was making an effort to approach that situation but that they still were in the negotiation stage. When the President was asked whether this would mean a complete change in the declaration, he pointed out that only certain phases of it were under consideration; and in answer to whether that applied to the four-power control of Germany, the President said that it did. In response to a question, Mr. Truman said that the veto plan was one of the things under discussion. A correspondent asked whether this would lead to another Big Three meeting. The President replied in the negative and said that he was not in favor of special conferences. He said he wanted to see the United Nations Organiza-

The United States must decide whether we mean to finish the job competently, and provide the tools, the determination and the funds requisite to that purpose, or withdraw.

We must decide whether we are going to permit starvation, with attendant epidemics and disorders, in the American Zone, or ship the food to prevent it.

We must decide whether obstructions raised by the French Government, which have deadlocked the four-power Control Council at Berlin, are to be permitted to defeat the underlying purposes of Allied policy.

We have reached the stage where we must determine much more specifically what we are going to do about minor hirelings of the Nazi Party and its satellite agencies, and how far we are going in destroying the industrial structure of Germany.

Not of least importance, it must be decided how fast and how far the Government is to go in changing from military to civilian control in Germany. Really competent civilian administrative personnel and advice must be provided from within the present governmental establishment at Washington if any such changeover is to have a chance of succeeding.

The urgency of these decisions is deepened not only by the continuing four-power deadlock at Berlin, but by the approach of winter. The next few months will be the critical months. They will determine whether the American Government, in its first large-scale attempt at governing a conquered people, is to succeed, or fail, or abandon the effort.

There can be no question that the vengeance of Nature's God lies heavily on the German people. They are paying in kind for the unparalleled miseries and cruelties for which they are responsible. As cold weather begins, millions find themselves housed against the raw climate in rubble heaps and caves, without fuel for heating, and with a food supply rated by medical standards well below the level of subsistence. Just now these people are

quiescent, and lawlessness is negligible, although epidemics begin to threaten the health of Western Europe. There is plenty of evidence, however, that the Germans are nursing old and new hatreds with mounting bitterness as their situation becomes more desperate; that they are listening hourly, with traditional credulity, for the voice of whatever type of new leader desperation may produce.

We must wonder what the relations between our dwindling Army of Occupation and the German people will be during these critical months. It would be a great mistake to assume that the German people love us, or are inclined to turn to American ways. Fraternization, which has come about naturally and inevitably, has made some friends, particularly among the young children who are the hope of the long future; for the American soldier is the world's best salesman of democracy. It is true also that many anti-Nazi Germans are cooperating with the Military Government, but even they show signs of confusion and puzzlement. They wonder what will come of it all, and how long it will be before the great American republic across the seas wearies of the task.

The flowers strewn in the pathway of the first Allied invasion forces at Aachen have long since turned to dust, and can hardly be revived. Many of the same Germans who at first greeted the Americans as liberators have since shown surprise and depression at our stern policies of de-Nazification, and at our inability to find the key to the four-power deadlock which hamstringing so many important policies. In no other zone in Germany have the de-Nazification clauses of the Potsdam Declaration been interpreted so literally or applied so rigidly. In no other zone has a more honest effort been made to carry out declared national policy with respect to the dismantling of German industry. The enforcement of these policies reacts inevitably to stir German resentment, create confusion, and hamper the efficiency of the newly-created German governmental and social machine. Military Government knows now that it cannot have its cake and eat it, too.

To understand how much actually has been accomplished, it is necessary to recall the situation of indescribable chaos inherited by General Eisenhower when he became Military Governor of the American Zone less than six months ago. The German nation had not simply suffered a military defeat. Not only its armed forces, but the gov-

tion do the job. The President said he remembered that the League of Nations had been ruined by the holding of special conferences. The President was later asked whether he could foresee the need for ever having another Big Three conference, to which Mr. Truman replied that if the United Nations Organization works out there should be no reason to hold such meetings. For text of the Potsdam declaration, see BULLETIN of Aug. 5, 1945, p. 153.

ernment itself had disappeared, leaving anarchy behind. The whole national economy, including the most essential facilities of organized society, and the people's political ideologies and household goods as well, were buried under the rubble. It is doubtful whether any Occupying Army in history ever faced a task of parallel magnitude.

The situation would have been difficult enough had General Eisenhower been free to grapple with it as he pleased. He had not, and has not, that opportunity. The necessities of the military situation required, on the one hand, that the American Military Governor deal cooperatively and on a basis of equality in policy matters with the military authorities of Great Britain, Russia and France; and pressures from home required at the same time that the complex task of Military Government be undertaken with patched-up and constantly-changing administrative machinery, from which some of the most capable administrators still are being demobilized daily.

The problem of stimulating food production in Germany, so that the American Zone may in time feed itself and cease to be a public charge, illustrates in one field the handicaps which permeate many fields of Military Government. Nazi Germany had the world's most intricate and efficient system of crop control. American Army officers who were commissioned in Military Government as experienced agricultural experts, undertook to restore this system as the best available means to a desirable end. What happened? The German system was a national system, and it developed that other members of the four-power Control Council were not ready (and are not yet ready) to deal with Germany as an economic unit, as provided by Potsdam; so the case had to be dealt with piecemeal in the American Zone. Next, the Nazi officials who dominated the system from top to bottom had to be removed under top-level orders, and less experienced Germans substituted. Finally, some of the most capable Americans, who understood best the intricacies of the system, were discharged from the Army and came home on points. The results, which have been duplicated with variations in transportation, communications and other essential services, can be surmised. Nor can blame for these results be placed on the Army of Occupation.

Despite these and other handicaps, order and comparative tranquillity have been reestablished

within six months throughout an American Zone having 18,000,000 inhabitants, so that the present crime rate actually is lower than in the United States. Demilitarization has been largely achieved. Nazism has been completely uprooted from the government service, and to a large degree from private industry. Dismantling of industrial plants not needed for peacetime German economy has begun. Firm ceilings have been put on prices and wages to cope with a still-dangerous trend toward inflation. Transportation and communications are being revived within limits, and the food control program is working as well as possible under the circumstances.

Elementary schools have been reopened throughout the entire Zone, and provided with new textbooks free of Nazi propaganda. A few seminaries and professional colleges also are opening, but 80 percent of the experienced teachers were Nazis, and a shortage of qualified substitutes leaves many gaps in the reconstituted educational system. At the end of October a score of newspapers and several magazines were being published in the Zone, most of them by Germans under license and the remainder by the Army. Radio broadcasting had been restored, and a considerable number of theaters and concert halls licensed; but slow progress had been made in the reopening of motion picture theaters. A comprehensive public health program had been inaugurated to guard against epidemics. Newly-organized political parties and labor unions were giving German citizens actual experience in the ways of democracy.

Of some 3,000,000 displaced persons who swarmed over the American Zone after VE-Day, all but about 400,000 have been repatriated. At the special request of General Eisenhower I visited during October several of the settlements in which these persons are housed. Four such centers,—at Stuttgart, Feldafing, Wolfratshausen and Deggen-dorf,—were reserved for Jews. None of these is a "camp" in the ordinary sense; with few exceptions the buildings are of permanent winterized construction, mostly stone or brick, equipped with hospitals and community kitchens, and heated. The residents are free to come and go at will. In only one instance did I observe overcrowding and that situation was being remedied. There appeared to be no serious shortage of medicines, clothing or blankets, but nowhere was there sufficient cleaning material. The official records showed a daily ration of 2300 to 3800 calories, far

in excess of the European average. These unfortunate people are not living under the best of conditions but I received no complaints of physical suffering.

Many interesting details could be added to this brief summary of conditions but a great quantity of such material already has been made available to you and to the public in the monthly reports of General Eisenhower. Taken altogether, it seems to me a notable record of progress, whatever may be said by noisy back-seat drivers. No one who knows the facts can fail to give General Eisenhower, his Deputy General Clay, and the staff of Military Government generally his continuing confidence and commendation. In no other zone in Germany has greater progress been made toward the declared objectives of the Allied occupation.

This does not mean that mistakes have not been made. Nor does it mean that Germany is being rebuilt except as to the essentials for national subsistence and democratic rehabilitation. All but a comparative few of the great German industrial plants still lie under the rubble, and although much of the buried machinery may be usable at some future time, there is no coal to operate it. The best available information indicates that over-all production in the American Zone is between 5 and 10 percent of normal, and the prospect for a further increase is extremely uncertain. As new plants open up, others close either from lack of fuel or because raw materials, left over from the war days, have been exhausted. Main-line railroads are 90 percent usable, but the rolling stock is old and unreliable, schedules are slow, and a very large part of the available shipping space is needed for Allied military purposes. There certainly is not the slightest evidence that German industry can become, within the foreseeable future, sufficiently strong to permit diversions of production for German war purposes.

The housing situation remains desperate. Of the 18,000,000 people in the American Zone, 14,000,000 are in cities, and the ruins of once-great cities dominate the landscape everywhere. There is no coal for heating, and as already noted, the supply of food for the coming winter now appears well below the level of bare subsistence. In many cities utilities still are almost non-existent, although a few street car lines are running and here and there street lighting has been restored on a limited scale. A small fraction of the German

population now has telephone service, but no private automobiles are in operation except when licensed for essential purposes by Military Government. A prime problem is how to develop exports, so that Germany can pay for indispensable imports of food. The most optimistic estimate I have seen places possible exports of lumber, textiles, hops, optical instruments and all other materials from the American Zone up to mid-1946 at about half the value of essential imports.

Notwithstanding the punishments Germans now suffer, and those still before them, there is no apparent realization of collective guilt for the unspeakable crimes committed by the German nation or for the unforgivable anguish and suffering spread by Germany throughout the world. One young German, who professed only hatred for Nazism, referred to Germany repeatedly in conversation as having been "drawn into the war". Thousands of beautiful and essential highway and railway bridges throughout Germany were demolished by the German Army in retreat; but German blame for that destruction is very often directed against the Allies. Intelligence reports indicate clearly that all of our propaganda effort to instill a sense of collective German guilt has fallen flat.

Similarly, our efforts to kindle democratic aspirations have produced but indifferent results. Few Germans understand the language of democracy, and such terms as "home rule" and "collective bargaining" confuse great numbers of the population and leave them skeptical. There is widespread and apparently genuine questioning of any political system where more than one name appears on the election ballot. Doubtless many are trying to understand, even if they fail to do so. Political meetings are often well attended, but principally by the older Germans. In at least one case, where several thousands were present, less than one percent were under 25 years of age. The field that should be most fertile for the development of political initiative and social independence thus appears actually the most sterile. The Hitler Youth has been disbanded as an organization but groups of its former members have made themselves a major problem of the occupation.

The German's traditional aversion to thinking for himself is not the only handicap to the full development of political activity. Many Ger-

mans ask why, if we really believe in self-government, we bar from the list of candidates all Nazis, although they not infrequently are the strongest leaders in the community. The answer is well understood by Americans, but not by Germans. Many others, seeing some 80,000 Nazi Party members behind prison bars in the American Zone alone, are chary of ever aligning themselves hereafter with any political party whatever. And the greatest drawback of all is the inescapable fact that the average German today is too busy trying merely to exist to find time for politics. Possibly some of these barriers may be removed once the German communities have had the actual experience of voting in the local elections which are to begin immediately after the first of the year.

The organization and growth of labor unions has gained considerable headway in the American Zone, but it is far too early to forecast the consequences. In that field there is the precedent of the effective unions which existed before 1933, remembered pleasantly by many workers. But the entire trades union movement is handicapped by the Military Government prohibition against bargaining at this stage with respect to either wages or hours. In the view of many Germans, this restriction, which is a part of the system of anti-inflationary controls, robs the newly-formed unions of substantial significance.

Whatever may be said of German recalcitrance, and the dubious outlook for their acceptance of democratic institutions, one thing is certain. The German people do realize,—they have been made to realize,—that they lost the war decisively. They are at this stage a thoroughly beaten and frightened people. As a purely practical proposition they know they will be required to pay heavily. They have gone back to work with a stubborn determination to live and to rebuild their country, whatever the cost; no people in Europe is working harder. Lacking transport, millions are walking unbelievable distances daily to obtain and hold jobs. Germany has become a pedestrian nation, plodding a weary road toward what destination it does not know. But without doubt the Germans mean to go on, to survive as individuals if possible, but above all to see Germany survive.

German survival has been also the expressed desire of Allied statesmen. Since the German surrender this purpose has been reiterated in the Potsdam Declaration, which provides that Germany is

to be treated as a single economic unit, and allowed to have sufficient resources to "subsist without external assistance." I understand these pronouncements to represent, not an expression of sympathy or pity for a people who have outraged every law of decency and civilization, but a practical recognition that if Germany were to become an economic void, or the seat of starvation, epidemic and revolution, she would remain a menace to the peace and prosperity of the entire world.

Because I know it is your desire to safeguard that policy during the critical months immediately ahead, I submit for your consideration the following suggestions to help maintain sound relations between Military Government in Germany and the German people:

1. The necessity for breaking the present deadlock in the Control Council at Berlin is so important that use of the full force and prestige of American diplomatic power to that end is fully warranted.

Repeated attempts have been made to set up common policies so that the German railways, the German postal service and other essential facilities could be operated as integral national systems. All of these attempts have failed, due almost entirely to the rigid opposition of the French.

As a result of the French attitude, Germany is not being treated as an economic unit. Instead what is happening amounts, to speak plainly, to the economic dismemberment of Germany. This is a reversal of basic objectives and, I believe, a certain step toward future international friction.

If France is really bent on the dismemberment of Germany, as her acts indicate, she should be made to acknowledge that policy before the world and not permitted to hide behind the opposite pronouncements of the Potsdam Declaration. Our own policies should then be reexamined accordingly.

2. The proposed change-over of Military Government from Army to Civilian Control will be advantageous only if the very highest type of civilian administrators can be assigned to Germany. Second-raters not only would fail, but would involve this Government in untold new difficulty.

As individuals and executives, the Army officers now in charge of Military Government are a highly capable group of men. The only point in making a change would be to rid Military Govern-

ment of the complicated Army forms and procedures, which were created for a vastly different purpose and are not sufficiently pliable to be adaptable to civil affairs. It is not the men in charge, but "the Army system," with its necessary devotion to rank, channelization and precise regimentation, which does not fit the needs of the situation.

In my opinion no change to top Civilian Control should take place earlier than June 1, 1946, the date originally recommended by General Eisenhower. The intervening time is none too long to permit a sufficient number of civilian replacements to be assembled and given the requisite training and experience on the ground in Germany.

Intensive planning should begin at once. Steps should be taken to remove any existing barriers to installation of a Civilian Governor or High Commissioner, whether such barriers exist in international agreements or in legislative or budgetary restrictions.

It is probable that the new civilian officials will have to be recruited largely from among experienced specialists already in the Government Service in this country. Those chosen to head departments in the Military Government should have rank and pay comparable to Undersecretaries in Washington; and it should be the definite responsibility of every Cabinet Member and Agency Head to interest himself in the problem, to comb the specialized personnel of his branch of Government, and to see that fully-qualified officials, not cast-offs, are provided. To facilitate the handling of diplomatic aspects, one Assistant Secretary of State might well be designated to supervise all communications relating to Military Government in the occupied areas abroad.

Substitution of civilian personnel in Germany should have limits. I suggest that some Military Government officials, such as those in charge of public safety and some of those in the lowest rank, in direct touch with the German people locally, should remain in uniform.

Selection of the new civilian chief of Military Government must be made by the President with great care if the experiment is to succeed. The appointment should under no circumstances have partisan political implications. An ideal choice would be an army officer of proven judgment and administrative ability, with a known military background in the European theater during this war, who would be willing to serve in a civilian

capacity and administer according to civilian formulas.

Special efforts should be made also to retain the services of as many as possible of the officers trained in Military Government and now serving there. In these ranks are many highly valuable men.

3. The highest-level instructions issued to Military Government from Washington are in need of revision in the light of experience.

The present basic instrument of Military Government is a 72-page directive from the Joint Chiefs of Staff in Washington, (JCS 1067), together with various annexes and amendments. It was drafted originally in the Pentagon Building in the first months of 1945, long before anyone knew when the victory would come or what form it would take.

Yet the detailed provisions of this imposing document still fall with untold force upon General Eisenhower's officers, now long experienced in the actual business of dealing with the Germans.

The whole collection of orders and instructions could profitably be rewritten into a few hundred words of general principles.

4. The food situation in Germany still merits urgent attention.

My understanding is that present plans contemplate a basic ration of 1550 calories and that proposals for an increase have been rejected in Washington.

I know of no competent medical authority who would regard a ration of 1550 calories as satisfactory, or who considers that present rationing in Germany is adequate for a people who are expected to work, and who have no heat at home and no way to reach their places of employment except by walking. The medical evidence is clear that deficiencies of food already are resulting in widespread dangerous loss of weight and in alarming reaction to disease.

If starvation comes, as now seems likely, epidemics and rioting will not be far behind. The approved medical ration to prevent starvation is 2000 calories, and there is no likelihood that such a ration would permit the bombed-out, freezing, pedestrian Germans to live anything like as well as the European average. To provide such a ration would require additional food exports from the United States, on credit.

A ration adequate to prevent starvation would not mean being soft with the German people. It would represent protection to our own occupation troops against disease and disorder, and decency toward our Allies of Western Europe, themselves undernourished and easily susceptible to disease.

5. No one who remembers the criminal record of Nazism will quarrel with the policy of stamping out the Nazi Party utterly and removing all its members from places of influence or profit in German life.

But Germany will not be rebuilt to peaceful and decent dimensions in a day. Too much haste in the inauguration of sweeping reform has never failed to lead to confusion and error, if not to reaction.

De-Nazification of private industry has gone further and faster in the American Zone than in any other part of Germany. The railroads, which are needed to deliver essential supplies, the communications system and other essential facilities have been handicapped greatly by abrupt removal of Nazis from key positions and installation of inexperienced substitutes.

During this initial period when the clock is being started again, and particularly during the critical months of the coming winter, Military Government should be given greater leeway to decide locally in Germany, when and how de-Nazification in essential services can best be effected.

6. The supervision of the German press, radio, motion pictures and other media of public information and entertainment has been generally well handled, but some changes seem desirable in view of changing conditions.

Many Germans regard the newspapers published under American direction as keyed to so lofty a pitch of democratic idealism as to be understandable to the masses. It is desirable that the acts of Military Government be presented and interpreted so far as possible from the viewpoint of ultimate benefit to the ordinary German, rather than from the viewpoint of Military Government itself.

The present practice of "screening" spot information coming into Germany from the outside world should be discontinued. Such censorship only defeats its own purpose, since the information is currently available to the German people from British or other nearby radio stations. Suppres-

sion in the German press or on the German radio raises the question how our policy differs from that of Goebbels.

In general, the German press and radio should have freedom of opinion also, but the publication of anti-democratic propaganda should not be permitted.

Our own propaganda needs to be given an increasingly positive character, in contrast to the long-continued attempt to impress the Germans of their collective guilt, which from now on will do more harm than good. A story circulates among the Germans to the effect that one radio listener who followed the Allied broadcasts throughout the war because they gave him hope, has now put away his receiver because he hears only condemnation and abuse.

We can win converts to democracy only if we again find a way of instilling hope,—hope that Germany again can rise from the dust and become a respected nation if she will devote herself to peace and tolerance, and decent ways of life.

It is most desirable that a better arrangement be worked out to eliminate bottlenecks and assure an adequate supply of American motion picture films for the American Zone.

More books in tune with democratic concepts ought to be available to German booksellers, possibly from stock prepared by the Provost Marshal General for use in German prisoner of war camps in this country.

I am convinced that better results would be attained in all of these matters if the Information Control branch, which supervises publications, broadcasting and theaters, and which certainly is a highly important arm of military government, were made an integral part of the Military Government establishment, instead of operating independently. I am informed that steps to effect such a change are now in process.

7. Thus far there is no evidence of an organized underground resistance in the American Zone, acts of hostility being largely confined to small-time local depredations. But caution cannot be relaxed.

The former Hitler Youth—young people of their teens,—are potentially the most dangerous single element of the population. It may be hoped that the current effort to organize these crooked-minded children into non-military societies and clubs after the American fashion will help turn them away from idleness and subversion.

It must be remembered, however, that many natural ties bind the Hitler Youth to the millions of recently-discharged German soldiers, to criminal elements among displaced persons, and to the increasing company of Nazis-out-of-office.

The suffering sure to come with winter may be expected to bring into the open whatever threat of real disorder and rebellion may now lie buried beneath the surface.

This is the wrong time to permit General Eisenhower's armed forces in Germany to be decimated and robbed of military effectiveness by demobilization.

8. Every additional day's delay in bringing arrested Nazis to justice weakens the position of Military Government.

There is widespread surprise among Germans that even the highest Nazi officials, held at Nürnberg under international jurisdiction as war criminals, are still awaiting trial.

The Nürnberg trials are not, of course, the responsibility of the Army. However, an additional

80,000 lesser members of the Nazi Party are in prison at the instance of Military Government. Military authorities do not feel that these cases can be tried until dependable precedents have been set at Nürnberg.

Wherever the responsibility lies, the failure to set up adequate tribunals and dispose of pending charges more promptly does not improve relations with a German people who traditionally respect only firm and swift authority.

I have confined this memorandum to matters which I felt were so important that they should be brought to your personal attention. I submitted a number of suggestions on additional subjects directly to General Eisenhower and General Clay in Germany, and am also putting myself at the disposal of the responsible officials of the War Department.

Respectfully submitted,

BYRON PRICE

November 9, 1945.

U.S. Adherence to Principle Opposing Oppressive Regimes Among American Republics

Statement by THE SECRETARY OF STATE

[Released to the press November 27]

The Uruguayan note handed to the United States Ambassador and other American republics representatives at Montevideo on November 22¹ is of fundamental importance.

In expressing my Government's unqualified adherence to the principles enunciated by the distinguished Uruguayan Foreign Minister, Dr. Alberto Rodriguez Larreta, I wish to stress:

1. At huge cost in lives, blood, and treasure, our Allies and we have won a victory which means that men everywhere may properly demand that human rights and dignity be respected as an essential condition for the maintenance of peace and security throughout the world.

2. The bitter experiences of the last 15 years demonstrate beyond all doubt that the "parallelism between democracy and peace must", as the Foreign Minister states, "constitute a strict rule of action in inter-American policy".

¹For text of Uruguayan note, see BULLETIN of Nov. 25, 1945, p. 864.

3. If they are to preserve the peace, the American republics cannot permit oppressive regimes to exist in their midst, because such regimes, "prompted by the instinct of self preservation in an environment hostile to them, must spread out in order to survive".

4. The established principle of non-intervention by one state in the affairs of another should not shield "the notorious and repeated violation by any republic of the elementary rights of man and of the citizen, nor the non-fulfillment of obligations freely contracted by a state with respect to its external and internal duties and which entitle it to be an active member of the international community".

5. Violation of the elementary rights of man by a government of force and the non-fulfillment of obligations by such a government is a matter of common concern to all the republics. As such, it justifies collective multilateral action after full consultation among the republics in accordance with established procedures.

Government-Citizen Cooperation in the Making of Foreign Policy

Remarks by UNDER SECRETARY ACHESON¹

[Released to the press November 27]

MR. CHAIRMAN, LADIES AND GENTLEMEN: The sort of consultation and free exchange of views between Government and citizens which this conference has made possible is the essence of the democratic process.

The Department of State believes in the cooperative method of making foreign policy. The fact that we are here, to talk, to discuss, and to listen to each other's views, is pretty clear evidence that we not only advocate but practice the cooperative method. And yet the State Department is sometimes in the position not only of expounding our foreign policies but of explaining and defending its own policy of providing information on foreign policies.

Well, perhaps that's a good idea. The American people seem to come, by and large, from Missouri. Some of them want to be shown again, and again, and again.

The first thing they want to be shown—and are entitled to be convinced of—is that the State Department itself is made up of ordinary people, most of whom, like you and me, are interested in arriving at a foreign policy the democratic way. They are interested in giving the American people the facts about foreign relations. They are also interested in knowing the views of the American people.

About two years ago the Department set up a mechanism for establishing this two-way communication with the American people. It is called the Division of Public Liaison, and I should explain that this Division is distinct from, but works closely with, the press division which serves the Washington newsmen.

Now what is the theory on which this Division of Public Liaison was created? Haven't we got a free press? Why can't people find out all they need to know about foreign policy from their daily papers and their radio newscasts?

Certainly the press does a very considerable

part of the job of informing the public of day-to-day developments in foreign policy. Certainly the newspapermen should have the fullest possible access to news of events and the background of those events.

But a free press is not the whole answer. Because of the inherent and unavoidable limitations of space and time, it is not possible for anyone to obtain a complete or consecutive picture of events or an understanding of the underlying issues of foreign affairs merely by reading daily news reports and editorials.

To rely on the press alone would be first to abandon any attempt at two-way communication, and secondly to throw away the opportunities for two-way communication that are at hand. The people themselves would be the first to resent such neglect. If the great national organizations through which the people have traditionally spoken their minds had no access to their Government they would have every right to protest and turn the rascals out.

In the same way editors, writers, radio-program directors, book publishers, motion-picture producers, and all other craftsmen in the information or literary field are entitled to have access to the State Department to obtain the facts they need to carry on their work.

When you come to think of it, it is amazing that only during the past two years has the Department of State provided such services to the public in an organized and systematic way.

And, finally, the general public has every right to have their views considered and their questions answered on matters of foreign policy in which they have so great a personal stake.

Recognition of this right of Americans as individuals and as groups to know the facts about our foreign relations is the theory on which the Division of Public Liaison was created. Its job is to serve the people as individuals, and groups, with facts, honestly, fully, and continuously. Such

¹ Made at the Carnegie Endowment Conference in Washington on Nov. 27, 1945.

Formulation and Implementation of Foreign Oil Policies

ASSIGNMENT OF PETROLEUM OFFICERS ON A GLOBAL BASIS

Letters Exchanged Between the Petroleum Administrator for War and the Secretary of State

SEPTEMBER 10, 1945.

MY DEAR MR. SECRETARY:

During an early stage of the war, the Petroleum Administration for War asked for the assignment of petroleum representatives to several foreign countries in order to provide us with the contacts and information that were so necessary in the conduct of the petroleum war program.

This resulted in the appointment by the State Department of Petroleum Attachés, first in London, and later in a number of other countries. We looked upon these men as our representatives abroad, and relied heavily upon them for information and assistance, without which this country's world-wide wartime petroleum operation would have been seriously handicapped. In recent months, these Petroleum Attachés have been made

members of the U.S. Embassy Staffs in the respective countries.

As PAW closes out its operations, I wish to recommend to the State Department the desirability of continuing to appoint petroleum personnel to its staff in each country where petroleum problems of concern to the United States seem likely to arise. The appointment of capable oil representatives to guide and assist this Government in its relations with foreign nations should contribute greatly to the development and administration of sound foreign policies as respects the vital subject of petroleum.

I feel confident that this proposed course of action would further the public interest and would at the same time prove highly effective as a means of supporting and advancing the United States petroleum industry abroad.

Sincerely yours,

HAROLD L. ICKES.

ACHESON—Continued from page 893.

service is what the citizen has a right to demand and get for his taxpayer's dollar.

But, strange as may seem, this service is often suspected and occasionally flatly rejected and condemned by some people—in some cases, the very people who clamor for more information from their State Department. It doesn't sound sensible, but it's true.

For evidence of suspicion and sometimes actual fright over the State Department's information services, you have only to look in some of the daily papers. You will find some rather remarkable stereotypes in these places. Sometimes we are Joe Goebbels—a high-powered, sinister propaganda machine, intent on hoodwinking the gullible American people into policies that will lead us all to destruction. Sometimes we are Colonel Blimp—a well-meaning but utterly stupid and reactionary old fossil, wandering aimlessly through a dead world.

If we have a program for giving out information, we are propagandizing. If we don't give out

information promptly and systematically we are cynically denying your right as citizens to know what is going on behind those musty old walls. Servicing the public with facts is apparently a dangerous business. The Department is damned if it does and it's damned if it doesn't.

In such a predicament, what should we in the State Department do? Should we shut up, for fear of being accused of propagandizing? Should we put on a slick advertising campaign to "sell" a foreign policy? Obviously we should do neither. Obviously the people of this country would stand for neither kind of behavior. Obviously there is no place for a Joe Goebbels State Department or a Colonel Blimp State Department in this modern democracy of ours.

There is, however, a very appropriate and necessary place for the kind of service we are currently trying to provide through our press division and our Division of Public Liaison. We shall continue to provide such services, to improve and expand them, confident that they are right and appropriate to the need.

NOVEMBER 21, 1945.

MY DEAR MR. ICKES:

I am writing in reply to your letter of September 10, to express my appreciation for your interest in the assignment of petroleum officers to the Embassy Staffs in those foreign countries where petroleum problems, of concern to this Government, exist or seem likely to arise.

I concur completely with your views regarding the vital service rendered by these officers on a global basis in the war effort and the cardinal need for appointing additional capable oil representatives to guide and assist this Government in its relations with foreign nations both as a means of formulating and implementing sound foreign oil policies and of supporting and advancing the legitimate interests of the American petroleum industry abroad.

As you perhaps are aware, in addition to the London assignment, petroleum officers have been appointed to the American Diplomatic Missions at Moscow, Paris, Chungking, Cairo, Bucharest, Caracas, The Hague, Bogota, Panama City, Lima, Madrid, and Rome. In developing plans on a global basis for the assignment of petroleum officers in foreign nations or areas, consideration has been given to such factors as (1) importance of each country or area as a center of petroleum resources or trade, (2) need for moderation of local laws or regulations restricting American nationals from access on equal terms to the petroleum trade and raw materials of such country or area, (3) restoration of petroleum properties to American nationals in complete good order and with appropriate compensation for loss or damage incident to military operations, (4) possibility of assisting American interests to obtain new concession opportunities abroad, (5) orderly disposal of U.S. surplus and Lend Lease petroleum facilities and equipment, (6) revitalization of local petroleum industry within each friendly foreign nation as means of rehabilitating any war disrupted internal economy, (7) operations and technological developments of foreign oil industry, and (8) trends in oil policies of foreign governments.

A copy of such an overall plan now being studied in the Department is enclosed. It covers assignments effected and contemplated, classifies posts as to their importance in the order set forth and indicates country or area of assignment in each instance. In the interest of ultimately attaining

the petroleum objectives abroad outlined herein, the Department has embarked on a program consisting, *inter alia*, of the following functions: (a) ascertain the need for assignment of qualified petroleum officers at each post; (b) define duties to be performed by such officer at each post; (c) select qualified oil representatives for such assignments; (d) prepare appropriate current instructions designed to maximize the usefulness of these officers and to keep them informed regarding developments of U.S. political and economic policies pertaining to petroleum; (e) analyze, evaluate, and collate reports from such officers abroad; and (f) coordinate related activities of the interested offices and divisions within the Department and of other U.S. agencies.

I shall appreciate any comment you may wish to make regarding the foregoing.

Sincerely yours,

JAMES F. BYRNES

PLAN FOR ASSIGNMENT ABROAD OF PETROLEUM OFFICERS

I. Petroleum Officers at Major Embassies

Post	Countries of Assignment
London	United Kingdom, British African Colonies.
Moscow	U.S.S.R.
Paris	France, Belgium, Switzerland, Luxembourg, French North and West Africa.
Cairo	Middle East.
Chungking	China, Burma, India.

II. Petroleum Attachés at Important Missions

Post	Countries of Assignment
Bucharest	Rumania, Yugoslavia, Greece, Bulgaria, Albania.
Budapest ¹	Hungary, Austria, Czechoslovakia, Poland.
The Hague	The Netherlands, Denmark, Norway, Sweden, Finland.
Caracas	Venezuela, Aruba, Curaçao, Trinidad.
Rio ¹	Brazil.
Buenos Aires ¹	Argentina, Uruguay, Paraguay.
Mexico City ¹	Mexico.

III. Petroleum Attachés at Other Missions

Post	Countries of Assignment
Lima	Peru, Ecuador, Chile, Bolivia.
Batavia ¹	Netherlands East Indies.
Bogotá	Colombia.
Rome	Italy.
Panama City	Panama, Central America.
Madrid	Spain, Portugal.

¹ Appointment contemplated but not effected.

Conference on the Educational, Scientific and Cultural Organization of the United Nations

REPORT BY HERBERT J. ABRAHAM¹

THE CONSTITUTION of the United Nations Educational, Scientific and Cultural Organization (UNESCO) was unanimously approved at the final plenary session held on Friday, November 16, 1945, when the delegates from 44 countries adopted the Final Act of the Conference.²

The final plenary sessions were held on Wednesday, Thursday, and Friday, November 14, 15, and 16, 1945. Reports from the commissions were received and approved, and referred to the Drafting Committee of the Conference for final editorial revision. A resolution adopted and incorporated in the Final Act expresses the agreement of the Conference that the seat of the Organization should be at Paris. Three resolutions submitted by the United States Delegation were adopted. There was also adopted an instrument establishing a Preparatory Commission.

At an extraordinary plenary session held on Friday morning, November 16, 1945, delegates from liberated countries addressed the Conference on the responsibility of intellectual leaders in our times.

In review it may be said that the work of the Conference was dispatched with remarkable speed and in great harmony. Differences of opinion on most issues were readily adjusted.

Following are brief notes on some of the decisions of the Conference:

1. *Purpose and Functions*

The purpose of the Organization is explicitly related to the principles and purposes of the UNO. The functions are deliberately expressed in general and comprehensive terms, avoiding any listing of specific procedures and activities. This

avoids the dangers of appearing to exclude certain activities by their omission from a list, and of appearing to commit the Organization to particular procedures.

2. *Membership*

States members of the United Nations are entitled to membership in UNESCO. Other states may be admitted. A proposal was advanced to extend membership to non-governmental organizations, but this was rejected. Provision is made for close cooperation with such organizations and for their representation by observers at the meetings of the Organization.

3. *Role of Domestic Organizations*

Each member state undertakes to consult with its national commission or with educational, scientific, and cultural bodies before appointing delegates to the general Conference. In view of the wide diversity of conditions in member states it was judged both impracticable and unnecessarily restrictive to prescribe that a national commission must be established or that a government must secure approval of domestic organizations in the selection of its delegation. However, establishment of national commissions is recommended, and each member state undertakes to associate non-governmental bodies with the work of the Organization.

4. *Relation with UNO*

The constitution attempts to harmonize the views that UNESCO must be autonomous and that close working and financial relations should be es-

¹ Dr. Abraham is information and liaison officer in the Group Relations Branch in the Division of Public Liaison, Office of Public Affairs, Department of State.

² For text of the Final Act as approved by the London conference, see BULLETIN of Nov. 18, 1945, p. 802.

tablished with UNO. It was agreed that the constitution of UNESCO could not properly prescribe the relations with UNO, since these relations must also be approved by UNO. Accordingly the constitution provides for the autonomy of UNESCO, subject to the terms of an agreement to be made between UNESCO and UNO.

5. *Amendment*

The amending procedure harmonizes two views: (a) that the work of UNESCO should not be impeded by delays in making minor but necessary changes in the constitution, and (b) that amendments of substance must be approved by the member states.

6. *Establishment of UNESCO*

The constitution will come into force when it has been accepted by 20 of its signatories.

7. *The Preparatory Educational, Scientific and Cultural Commission*

The Preparatory Commission consists of all the signatory states. It held its first meeting on November 16, 1945. An executive committee of 15 member states was elected and will meet soon. A secretariat for the Preparatory Commission is already at work. The Preparatory Commission will make arrangements and prepare the agenda for the first meeting of the general Conference and will study and report on possible operations of UNESCO.

8. *Educational Rehabilitation*

The view was vigorously pressed by many delegates that the London conference, UNESCO, and the Preparatory Commission must assume some responsibility for assisting liberated countries to obtain the essential materials without which no educational activity is possible. While sympathizing with the needs of these countries, the American Delegation could not consent to this interpretation of the functions of UNESCO. An agreement was reached, acceptable to all delegations, that the Preparatory Commission should establish a special committee to receive statements of needs and may bring these to the attention of governments, private organizations, and individuals, so that gifts may be made directly or through international relief agencies.

9. *Next Steps*

Four questions will be before the people of the United States:

- (a) approval of the constitution;
- (b) formation of a national commission;
- (c) action by private agencies with respect to assistance in the educational rehabilitation of the liberated countries;
- (d) recommendations concerning the operations of UNESCO.

Disapproval of U.S. Participation in Foreign Internal Affairs

[Released to the press November 28]

In view of the fact that elections are to be held in several of the other American republics during the next year or so, it is opportune to make public the substance of instructions recently sent to American diplomatic and consular officers in the other American republics. These instructions concern possible political activities of American citizens and companies in foreign countries. Any such activities naturally have a direct relation with the long-standing policy of our Government that there should be no unilateral intervention in the internal affairs of another country.

The Department of State disapproves of and opposes most strongly any interference or participation by American businessmen or companies in the local political affairs of the other American republics. Such activities are bad for American business and inevitably create serious problems which complicate international relations. The position of the Department is that any American citizen, organization, or company engaging in such political activities, including the making of campaign contributions, directly or indirectly, whether in the firm's name or by an American citizen as an individual, will forfeit such assistance from the Department or from our diplomatic missions abroad as they might otherwise expect and be entitled to. On the other hand, the Department and American diplomatic and consular officers abroad will extend 100 percent cooperation in protecting the legitimate rights and in advancing the legitimate interests of American business.

The Record of the Week

Far Eastern Advisory Commission To Visit Japan

[Released to the press November 28]

Letter from the Secretary of State to Maj. Gen. Frank R. McCoy, Chairman, Far Eastern Advisory Commission

NOVEMBER 27, 1945.

MY DEAR GENERAL MCCOY:

The Supreme Commander for the Allied Powers in Japan has stated that he will welcome a visit to Japan by the Commission as such a visit would not only give the Commission an opportunity to see at first hand actual current conditions but would permit of consultation from which he looks for greatest possible aid.

I am pleased to know that the Commission is desirous of making such a visit and feel that, pending settlement of the questions relating to the terms of reference, it would be very useful for you to go to Japan for the purpose of gathering information on the spot for coordination and assistance in your functions.

In view of the relations established by the surrender document between the Supreme Commander for the Allied Powers and the Japanese Government, dealings by the Commission or members of the Commission with the Japanese Government and its agencies would, of course, be entirely through the medium of the Supreme Commander.

I hope the trip will be of profit and value to the Commission in the performance of its important functions.

Sincerely yours,

JAMES F. BYRNES

Japanese War Crimes

[Released to the press by the White House November 29]

EXECUTIVE ORDER 9660¹

CONFERRING CERTAIN AUTHORITY UPON THE CHIEF OF COUNSEL IN THE PREPARATION AND PROSECUTION OF CHARGES OF WAR CRIMES AGAINST THE MAJOR LEADERS OF JAPAN AND THEIR PRINCIPAL AGENTS AND ACCESSORIES

By virtue of the authority vested in me by the Constitution and the statutes as President of the United States and as Commander in Chief of the Army and the Navy, and to enable Joseph B. Keenan, as Chief of Counsel in the preparation and prosecution of charges of war crimes against the major leaders of Japan and their principal agents and accessories (hereinafter referred to as Chief of Counsel), to perform effectively his functions and duties, it is hereby ordered as follows:

1. The Chief of Counsel is authorized to select and recommend to the President or to the head of any executive department, independent establishment, or other federal agency, necessary personnel to assist him in the performance of his duties. The head of each executive department, independent establishment, and other federal agency is authorized to assist the Chief of Counsel in the performance of his duties and to employ such personnel and make such expenditures, within the limits of the appropriations now or hereafter available for the purpose, as the Chief of Counsel may deem necessary for the accomplishment of his duties, and to make available, assign, or detail for duty with the Chief of Counsel such members of the armed forces and other personnel as may be requested by the Chief of Counsel.

¹ 10 *Federal Register* 14891.

2. The Chief of Counsel shall receive such compensation and allowances for expenses as may be authorized by the Secretary of War.

3. The Chief of Counsel is authorized to cooperate with, and to receive the assistance of, any foreign Government to the extent deemed necessary by him for the accomplishment of his duties.

HARRY S. TRUMAN

THE WHITE HOUSE,
November 29, 1945.

Greek Elections

Statement by HENRY F. GRADY

[Released to the press November 30]

Henry F. Grady, Personal Representative of the President, in observing the forthcoming elections in Greece issued the following statement to the Greek press on November 28, 1945:

"The President and the Secretary of State have asked me to come to Greece, in response to the invitation of the Greek Government, to join with other Allied representatives in observing the forthcoming elections in this country.

"It is a mission which I have been glad to undertake. We Americans have every confidence in the devotion of the Greek people to the ideals of liberty and democracy. We have also a keen sense of our responsibility to help them restore their sorely tried nation to political and economic health and well-being.

"It is for the Greek people to decide what kind of government they want. I hope that our presence here will help reassure them that they can do so freely and fairly and without fear."

Inquiries on and Relief for Americans Abroad

[Released to the press November 29]

The Department of State issued a statement on May 22, 1945 for the benefit of inquirers regarding the sending of messages or relief shipments to persons in Germany.¹ The resumption of mail facilities to Germany, to the limited extent that circumstances may permit, is receiving the continual attention of the interested agencies of the Government, and public announcement will be made of any developments.

The State Department continues to accept inquiries concerning American citizens there, but inquiries concerning aliens, whether relatives of American citizens or not, still cannot be undertaken by the Department or by other United States Government agencies. Inquiries concerning United Nations nationals should be submitted to the appropriate diplomatic missions at Washington.

At present the Department of State has no facilities for the transmission of funds to American citizens in Germany.

Under date of November 23, 1945 the Department issued a statement concerning the limited mail service which has been placed in operation for the exchange of personal non-transactional correspondence between persons in the United States and displaced persons of United Nations nationality in the American zones of Austria and Germany, and for the shipment of five-pound gift parcels to such displaced persons from senders in this country.² Full information concerning this service may be obtained from local post offices.

IRAN—Continued from page 884.

ilities have ceased, it sees no compelling reason for them to remain until that date. It is of the opinion that immediate steps to effect withdrawal by January 1 not only would obviate possible misunderstandings but would also be a fitting recognition of the notable contributions which Iran, a member in good standing of the United Nations, has made to the common war effort.

"Nations such as Iran were encouraged at the United Nations Conference at San Francisco to place full trust in the friendly intentions and good will of the permanent members of the Security Council. The Government of the United States is confident that the Soviet Union and Great Britain are no less anxious than the United States, in dealing with nations such as Iran, to follow a line of action which will make it clear that the trust of these nations in the permanent members of the Security Council has not been misplaced.

"Similar proposals are being made to the British Government."

¹ BULLETIN of May 27, 1945, p. 953.

² BULLETIN of Nov. 25, 1945, p. 863.

Control of Axis and Pro-Axis Firms and Foreign Assets

CONTINUATION OF PROCLAIMED AND STATUTORY LISTS

[Released to the press November 28]

The Secretary of State, acting in conjunction with the Secretary of the Treasury, the Acting Attorney General, the Secretary of Commerce, and the Acting Director of the Office of Inter-American Affairs, on November 27 issued Cumulative Supplement 8 to Revision IX to the Proclaimed List of Certain Blocked Nationals.

This Government has by this action selected those persons and firms on the Proclaimed List who will continue to be ostracized from trade relations with this and cooperating countries. The British and Canadian Governments are taking identical action and other Allied governments are participating in the sanctions against these persons and firms.

The designation of the worst offenders for retention on the List is in keeping with the public announcement of the United States and British Governments on September 26, 1944 that the List would be maintained in the post-hostilities period.¹ This action is taken in order to permit the Allied governments to deal properly with persons and firms who gave outstanding aid to the enemy war effort and continue to threaten Allied security. Many of these firms have been controlled from Axis territory and have been utilized as instruments of the Axis war-machine. Control over these Axis subsidiaries is necessary as a supplement to Allied control of the head offices of these firms in Germany until adequate measures are taken to prevent further utilization of these firms as instruments of Axis policy. The List contains names also of certain firms which sold themselves out to the Axis during the war through their desire to make temporary exorbitant profits at the expense of the cause of democracy. Continuation of the List is also necessary in order to maintain controls over foreign assets which have been looted, which are held by cloaks, or which are foreign investments useful for financing of still dangerous Axis nationals or of their activities.

It continues to be the policy of this Government to enforce the Proclaimed List rigorously. Trade

and communication, direct or indirect, with a Proclaimed List national can be conducted only under Treasury license.

The deletions in the current supplement with very few exceptions have been made pursuant to a policy of adjusting the List to the changed security situation. The List in a number of the other American republics had been substantially reduced in previous supplements in accordance with the established policy of reducing the List in those countries whose control over undesirable persons is satisfactory.

Cumulative Supplement 8 supersedes Cumulative Supplement 7 dated October 25, 1945.

Part I of Cumulative Supplement 8 contains 22 additional listings in the other American republics and 2,721 deletions; part II contains 33 additional listings outside of the American republics and 2,359 deletions.

Letters of Credence

Ambassador of Iran

The newly appointed Ambassador of Iran, Hussein Ala, presented his letters of credence to the President on November 29. For text of his remarks on this occasion and the reply by the President see Department of State press release 896.

Plans To Retain Employees of Former Information-Service Agencies

[Released to the press November 29]

W. Pierce MacCoy, Chief of the Division of Departmental Personnel of the State Department, stated on November 29 that as far as employees in Washington of the former information-service agencies taken over by the State Department are concerned, the Department is going ahead on the assumption that they will be retained on the departmental payroll. On December 10, the Department's budget hearing on this matter will take place, and should the budget be approved the Department will then have 644 operating jobs, plus an increase of 215 positions in other divisions of the Department, making a total of 859 jobs avail-

¹ BULLETIN of Oct. 1, 1944, p. 340.

able for the personnel of these other agencies. At the moment, there are 608 O.W.I. and O.I.A.A. employees in Washington, along with 55 employees in the International Information Division and 123 in the Division of Cultural Cooperation of the Department. This makes a total of 786 persons to be taken care of by 859 jobs.

Walter Brown Resigns as Special Assistant to the Secretary

[Released to the press November 28]

The Secretary of State announced on November 28 the resignation of Walter Brown, Special Assistant to the Secretary.

In making the announcement, Secretary Byrnes said:

"Mr. Brown joined my staff when I was Director of Economic Stabilization and continued to serve as Special Assistant while I was Director of War Mobilization. When I became Secretary of State he again returned to Washington to assist me for a temporary period.

"Mr. Brown has now devoted three years to Government service. He has been of great assistance in my work. With deep regret I accept his resignation because I do not feel I should ask him to longer remain away from his business and other work he contemplates. He has promised me, however, that I can call on him for special assignments which will not require his full time. I intend to call upon him."

Proclamation of Water Treaty and Protocol With Mexico

[Released to the press November 27]

On November 27, 1945 the President signed his proclamation of the treaty and protocol between the United States and Mexico, signed respectively on February 3, 1944 and November 14, 1944, relating to the utilization of the waters of the Colorado and Tijuana Rivers and of the Rio Grande (Rio Bravo) from Fort Quitman, Texas, to the Gulf of Mexico.

The treaty and protocol entered into force on November 8, 1945, the day on which the instruments of ratification of the treaty and protocol were exchanged.¹

THE CONGRESS

To amend the First War Powers Act of 1941. H.Rept. 1269, 79th Cong., to accompany H.R. 4571. 19 pp. [Favorable report.]

Amending the Nationality Act of 1940, To Preserve the Nationality of Naturalized Veterans, Their Wives, Minor Children, and Dependent Parents. H.Rept. 1275, 79th Cong., to accompany H.R. 4605. 2 pp. [Favorable report.]

Amending Section 332(A) of the Nationality Act of 1940. H.Rept. 1276, 79th Cong., to accompany H.R. 4628. 2 pp. [Favorable report.]

Amending the Second War Powers Act, 1942, as Amended. H.Rept. 1282, 79th Cong., to accompany H.R. 4780. 16 pp. [Favorable report.]

Operations of Export-Import Bank of Washington in Case of the Philippine Islands. H.Rept. 1285, 79th Cong., to accompany H.R. 4683. 2 pp. [Favorable report.]

Providing for the Establishment of Lawful Entry Into the United States of Certain Aliens Not Subject to Deportation Who Entered the United States Prior to July 1, 1924. H.Rept. 1286, 79th Cong., to accompany H.R. 4149. 5 pp. [Favorable report.]

First Deficiency Appropriation Bill, 1946. H. Rept. 1288, 79th Cong., to accompany H. R. 4805. 43 pp. [Department of State, pp. 2, 18, 40-41.]

Further Participation in Work of UNRRA. H. Rept. 1311, 79th Cong., to accompany H. R. 4649. 12 pp. Favorable report.]

Immigration and Naturalization Laws and Problems. H. Rept. 1312, 79th Cong., Interim Report pursuant to H. Res. 52. 21 pp.

Formation of an International Health Organization. S. Rept. 782, 79th Cong., to accompany S. J. Res. 89. 18 pp. [Favorable report.]

United Nations Relief and Rehabilitation Administration Participation Act, 1946. S. Rept. 798, 79th Cong., to accompany H. J. Res. 266. 3 pp.

Providing for National Elections in the Philippine Islands. S. Rept. 802, 79th Cong., to accompany S. J. Res. 119. 2 pp. [Favorable report.]

Survey of the Electoral College in the Political System of the United States. By Joseph Jackson, Historian. S. Doc. 97, 79th Cong. iii, 17 pp.

First Deficiency Appropriation Bill for 1946: Hearings Before the Subcommittee of the Committee on Appropriations, House of Representatives, Seventy-ninth Congress, first session, on the First Deficiency Appropriation Bill for 1946. Part 1. ii, 893 pp. [Indexed.]

¹ BULLETIN of Nov. 11, 1945, p. 770.

THE FOREIGN SERVICE

Consular Offices

The American Consulate at Canton, China, was reestablished effective November 15, 1945.

THE DEPARTMENT

Division of Investment and Economic Development¹

Purpose. This order is issued to change the name of the Division of Foreign Economic Development in order to more adequately reflect the functions of the Division.

1 Change in name. The name of the Division of Foreign Economic Development is hereby changed to Division of Investment and Economic Development. The routing symbol will remain ED.

2 Functions of the division. The functions of the division will remain unchanged.

3 Orders amended. Departmental Order 1311 of March 9, 1945 and any other orders, the provisions of which are in conflict herewith, are accordingly amended.

JAMES F. BYRNES

Publications

of the DEPARTMENT OF STATE

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., who is the authorized distributor of Government publications. To avoid delay, address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

★*Good-Neighborliness Through Technical Agricultural Collaboration.* By Ross E. Moore. Publication 2412. 17 pp. 5¢.

The representative of the Department of Agriculture on the Interdepartmental Committee on Cultural and Scientific Cooperation describes the program developed through the Committee by various departments and agencies of the Government.

¹ Departmental Order 1357, dated and effective Nov. 14, 1945.

★*Military Aviation Mission.* Agreement Between the United States of America and Guatemala signed at Washington February 21, 1945; effective February 21, 1945. Executive Agreement Series 466. Publication 2400. 13 pp. 5¢.

Text, in English and in Spanish, of the agreement authorizing the appointment of officers and enlisted men to constitute a military aviation mission from the United States to the Republic of Guatemala.

★*Mutual Aid.* Agreement and exchange of notes between the United States of America and Iraq; agreement signed at Washington July 31, 1945; effective July 31, 1945. Executive Agreement Series 470. Publication 2402. 9 pp. 5¢.

Text of agreement between the Governments of the United States and Iraq on the principles applying to aid for defense under the Lend-Lease Act.

A cumulative list of the publications of the Department of State, from October 1, 1929 to July 1, 1945 (publication 2373) may be secured from the Department of State.

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THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 337

DECEMBER 9, 1945

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Statement by President Truman and Prime Minister Attlee

Financial Agreement

Proposals on World Trade and Employment

AMERICA'S POLICY IN CHINA

Statement by the Secretary of State

*For complete contents
see inside cover*



BULLETIN

VOL. XIII • No. 337 •

PUBLICATION 2440



December 9, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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JAN 3 1946

CONCLUSION OF ANGLO-AMERICAN FINANCIAL AND TRADE NEGOTIATIONS¹

Statement by

President Truman and Prime Minister Attlee²

The economic and financial discussions between officials of the United States and United Kingdom Governments meeting in Washington have now been completed.

These discussions have been concerned with the major problems affecting the basic economic and financial relations between the two countries, in the light of the provisions of article VII of the mutual-aid agreement between their Governments signed February 23, 1942.³

They have covered the questions of financial assistance from the United States to the United Kingdom, the demobilization of wartime trade and monetary restrictions, the settlement of lend-lease, the disposal of surplus war property in the United Kingdom owned by the United States, and, finally, long-range commercial policies in the broad sense, embracing the fields of trade barriers and discriminations, policies in respect of commodities in world surplus, cartels, an international trade organization, and international aspects of domestic measures to maintain employment.

The purpose of the discussions has been to arrive at mutually advantageous solutions of these problems which the two Governments would commend to the peoples and legislatures of the two countries and to the world as a whole.

Both sides have been fully conscious of the significance to other countries, as well as their own, of the outcome of these discussions, and they have from the beginning had continuously in view the common interest of their Governments in establishing a world trading and monetary system from which the trade of all countries can benefit and

within which the trade of all countries can be conducted on a multilateral, non-discriminatory basis.

The discussions have been successful.

Agreement has been reached, subject to the approval of the legislatures of both countries, for the extension by the United States to the United Kingdom of a line of credit of \$3,750,000,000 on the terms stated in the financial agreement signed this day, for the following purposes: to facilitate purchases by the United Kingdom of goods and services from the United States, to assist the United Kingdom to meet transitional post-war deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the United Kingdom to assume the obligations of multilateral trade. This credit would make it possible for the United Kingdom to relax import and exchange controls, including exchange arrangements affecting the sterling area, and generally to move forward with the United States and other countries toward the common objective of expanded multilateral trade.

Agreement has been reached for the final settlement of lend-lease and reciprocal aid, the disposal of surplus war property in the United Kingdom owned by the United States, and the final settlement of the claims of each Government against the other arising out of the conduct of the war.

¹ The material under this heading was released to the press at 5:30 p. m. on Dec. 6, 1945.

² Made jointly in Washington and in London on Dec. 6, 1945.

³ BULLETIN of Feb. 28, 1945, p. 190.

List of Participants

United States Group

The Secretary of State, *Chairman*

DEAN ACHESON

WILLIAM L. CLAYTON

THOMAS B. McCABE, Foreign Liquidation Commissioner

The Secretary of the Treasury

HARRY D. WHITE

FRANK COE

The Secretary of Commerce

AMOS TAYLOR

MARRINER S. ECCLES, Chairman, Federal Reserve Board

J. BURKE KNAPP

WALTER R. GARDNER

W. STUART SYMINGTON, Surplus Property Administrator

EMILIO G. COLLADO, Secretary General for the United States

United Kingdom Group

LORD HALIFAX, *Chairman*

LORD KEYNES

HONORABLE ROBERT H. BRAND

SIR HENRY SELF

SIR PERCIVALE LIESCHING

LIONEL ROBBINS

E. L. HALL-PATCH

FREDERICK HARMER

F. G. LEE, Secretary General for the United Kingdom

discussions are being issued by the two Governments:

Financial agreement.

Joint statement regarding the understanding reached on commercial policy.

Joint statement regarding settlement for lend-lease and reciprocal aid, surplus war property, and claims.

Statement by Cordell Hull

The documents released yesterday bearing on the termination of Anglo-American financial and trade discussions indicate that our Government has assumed an appropriate role of world leadership toward permanent peace. I am especially interested in the "Proposals for Consideration by an International Conference on Trade and Employment."

With the complete destruction of the forces of aggression, our opportunity to realize the full benefits of peace, which we failed to do after the last World War, is now paramount.

Over a period of some three decades I have pointed out that the world needs an international organization for promoting, on a sound and non-discriminatory basis, mutually profitable trade among all nations, and for preventing economic warfare, which so often leads to physical combat. Unfortunately, in the interval between the two wars the world followed down the road of destructive commercial conflict.

The reciprocal trade-agreements program, inaugurated in 1934, was an attempt on the part of our Government to reverse this fatal trend. Now, through the announcement made yesterday, our country is taking another long step forward to build a better world by profiting from the bitter lessons of the past.

I feel that this may be our final opportunity to make a peace that will last. I believe the Government's over-all plans released yesterday set forth the prerequisites to economic prosperity and improved standards of living in our own and all other countries. I have high hopes that the United States will play its full part in bringing about the conditions necessary for full prosperity and lasting peace.

Agreement has been reached on the broad principles of commercial policy for which the two Governments will seek general international support.

These arrangements, if carried out, will put an end to the fear of an economically divided world; will make possible, throughout the world, the expansion of employment and of the production, exchange, and consumption of goods; and will bring into being, for the first time, a common code of equitable rules for the conduct of international trade policies and relations.

The realization of these proposals will depend upon the support given them by the peoples and legislatures of the United States and the United Kingdom, and where they envisage measures requiring broad international collaboration, the support of other countries.

The following documents resulting from these

Financial Agreement

TEXT

It is hereby agreed between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland as follows:

1. *Effective date of the Agreement.* The effective date of this Agreement shall be the date on which the Government of the United States notifies the Government of the United Kingdom that the Congress of the United States has made available the funds necessary to extend to the Government of the United Kingdom the line of credit in accordance with the provisions of this Agreement.

2. *Line of credit.* The Government of the United States will extend to the Government of the United Kingdom a line of credit of \$3,750,000,000 which may be drawn upon at any time between the effective date of this Agreement and December 31, 1951, inclusive.

3. *Purpose of the line of credit.* The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

4. *Amortization and interest.*

(i) The amount of the line of credit drawn by December 31, 1951, shall be repaid in 50 annual installments beginning on December 31, 1951, with interest at the rate of 2 percent per annum. Interest for the year 1951 shall be computed on the amount outstanding on December 31, 1951, and for each year thereafter, interest shall be computed on the amount outstanding on January 1 of each such year.

Forty-nine annual installments of principal repayments and interest shall be equal, calculated at the rate of \$31,823,000 for each \$1,000,000,000 of the line of credit drawn by December 31, 1951, and the fiftieth annual installment shall be at the rate of \$31,840,736.65 for each such \$1,000,000,000. Each installment shall consist of the full amount of the interest due and the remainder of the in-

stallment shall be the principal to be repaid in that year. Payments required by this section are subject to the provisions of section 5.

(ii) The Government of the United Kingdom may accelerate repayment of the amount drawn under this line of credit.

5. *Waiver of interest payments.* In any year in which the Government of the United Kingdom requests the Government of the United States to waive the amount of the interest due in the installment of that year, the Government of the United States will grant the waiver if:

(a) the Government of the United Kingdom finds that a waiver is necessary in view of the present and prospective conditions of international exchange and the level of its gold and foreign exchange reserves *and*

(b) the International Monetary Fund certifies that the income of the United Kingdom from home-produced exports plus its net income from invisible current transactions in its balance of payments was on the average over the five preceding calendar years less than the average annual amount of United Kingdom imports during 1936-8, fixed at £866 million, as such figure may be adjusted for changes in the price level of these imports. Any amount in excess of £43,750,000 released or paid in any year on account of sterling balances accumulated to the credit of overseas governments, monetary authorities and banks before the effective date of this Agreement shall be regarded as a capital transaction and therefore shall not be included in the above calculation of the net income from invisible current transactions for that year. If waiver is requested for an interest payment prior to that due in 1955, the average income shall be computed for the calendar years from 1950 through the year preceding that in which the request is made.

6. *Relation of this line of credit to other obligations.*

(i) It is understood that any amounts required to discharge obligations of the United Kingdom to third countries outstanding on the effective date of this Agreement will be found from resources other than this line of credit.

(ii) The Government of the United Kingdom will not arrange any long-term loans from governments within the British Commonwealth after December 6, 1945, and before the end of 1951 on terms more favorable to the lender than the terms of this line of credit.

(iii) Waiver of interest will not be requested or allowed under section 5 in any year unless the aggregate of the releases or payments in that year of sterling balances accumulated to the credit of overseas governments, monetary authorities and banks (except in the case of colonial dependencies) before the effective date of this Agreement is reduced proportionately, and unless interest payments due in that year on loans referred to in (ii) above are waived. The proportionate reduction of the releases or payments of sterling balances shall be calculated in relation to the aggregate released and paid in the most recent year in which waiver of interest was not requested.

(iv) The application of the principles set forth in this section shall be the subject of full consultation between the two governments as occasion may arise.

7. *Sterling area exchange arrangements.* The Government of the United Kingdom will complete arrangements as early as practicable and in any case not later than one year after the effective date of this Agreement, unless in exceptional cases a later date is agreed upon after consultation, under which immediately after the completion of such arrangements the sterling receipts from current transactions of all sterling area countries (apart from any receipts arising out of military expenditure by the Government of the United Kingdom prior to December 31, 1948, to the extent to which they are treated by agreement with the countries concerned on the same basis as the balances accumulated during the war) will be freely available for current transactions in any currency area without discrimination; with the result that any discrimination arising from the so-called sterling area dollar pool will be entirely removed and that each member of the sterling area will have its current sterling and dollar receipts at its free disposition for current transactions anywhere.

8. *Other exchange arrangements.*

(i) The Government of the United Kingdom agrees that after the effective date of this Agreement it will not apply exchange controls in such a manner as to restrict (a) payments or transfers in respect of products of the United States per-

mitted to be imported into the United Kingdom or other current transactions between the two countries or (b) the use of sterling balances to the credit of residents of the United States arising out of current transactions. Nothing in this paragraph (i) shall affect the provisions of Article VII of the Articles of Agreement of the International Monetary Fund when those Articles have come into force.

(ii) The Governments of the United States and the United Kingdom agree that not later than one year after the effective date of this Agreement, unless in exceptional cases a later date is agreed upon after consultation, they will impose no restrictions on payments and transfers for current transactions. The obligations of this paragraph (ii) shall not apply:

(a) to balances of third countries and their nationals accumulated before this paragraph (ii) becomes effective; or

(b) to restrictions imposed in conformity with the Articles of Agreement of the International Monetary Fund, provided that the Governments of the United Kingdom and the United States will not continue to invoke the provisions of Article XIV, Section 2 of those Articles after this paragraph (ii) becomes effective, unless in exceptional cases after consultation they agree otherwise; or

(c) to restrictions imposed in connection with measures designed to uncover and dispose of assets of Germany and Japan.

(iii) This section and section 9, which are in anticipation of more comprehensive arrangements by multilateral agreement, shall operate until December 31, 1951.

9. *Import arrangements.* If either the Government of the United States or the Government of the United Kingdom imposes or maintains quantitative import restrictions, such restrictions shall be administered on a basis which does not discriminate against imports from the other country in respect of any product; provided that this undertaking shall not apply in cases in which (a) its application would have the effect of preventing the country imposing such restrictions from utilizing, for the purchase of needed imports, inconvertible currencies accumulated up to December 31, 1946, or (b) there may be special necessity for the country imposing such restrictions to assist, by measures not involving a substantial departure from the general rule of non-discrimination, a country whose economy has been disrupted by war, or (c)

either government imposes quantitative restrictions having equivalent effect to any exchange restrictions which that government is authorized to impose in conformity with Article VII of the Articles of Agreement of the International Monetary Fund. The provisions of this section shall become effective as soon as practicable but not later than December 31, 1946.

10. *Accumulated sterling balances.*

(i) The Government of the United Kingdom intends to make agreements with the countries concerned, varying according to the circumstances of each case, for an early settlement covering the sterling balances accumulated by sterling area and other countries prior to such settlement (together with any future receipts arising out of military expenditure by the Government of the United Kingdom to the extent to which they are treated on the same basis by agreement with the countries concerned). The settlements with the sterling area countries will be on the basis of dividing these accumulated balances into three categories (*a*) balances to be released at once and convertible into any currency for current transactions, (*b*) balances to be similarly released by installments over a period of years beginning in 1951, and (*c*) balances to be adjusted as a contribution to the settlement of war and postwar indebtedness and in recognition of the benefits which the countries concerned might be expected to gain from such a settlement. The Government of the United Kingdom will make every endeavor to secure the early completion of these arrangements.

(ii) In consideration of the fact that an important purpose of the present line of credit is to promote the development of multilateral trade and facilitate its early resumption on a non-discriminatory basis, the Government of the United Kingdom agrees that any sterling balances released or otherwise available for current payments will, not later than one year after the effective date of this Agreement unless in special cases a later date is agreed upon after consultation, be freely available for current transactions in any currency area without discrimination.

11. *Definitions.*

For the purposes of this Agreement:

(i) The term "current transactions" shall have the meaning prescribed in Article XIX (i) of the Articles of Agreement of the International Monetary Fund.

(ii) The term "sterling area" means the United

Kingdom and the other territories declared by the Defence (Finance) (Definition of Sterling Area) (No. 2) Order, 1944, to be included in the sterling area, namely "the following territories excluding Canada and Newfoundland, that is to say—

- (a) any Dominion,
- (b) any other part of His Majesty's dominions,
- (c) any territory in respect of which a mandate on behalf of the League of Nations has been accepted by His Majesty and is being exercised by His Majesty's Government in the United Kingdom or in any Dominion,
- (d) any British protectorate or protected State,
- (e) Egypt, the Anglo-Egyptian Sudan and Iraq,
- (f) Iceland and the Faroe Islands."

12. *Consultation on Agreement.* Either government shall be entitled to approach the other for a reconsideration of any of the provisions of this Agreement, if in its opinion the prevailing conditions of international exchange justify such reconsideration, with a view to agreeing upon modifications for presentation to their respective legislatures.

Signed in duplicate at Washington, District of Columbia, this 6th day of December, 1945.

For the Government of the United States of America:

FRED M. VINSON

*Secretary of the Treasury
of the United States of America*

For the Government of the United Kingdom of Great Britain and Northern Ireland:

HALIFAX.

His Majesty's Ambassador Extraordinary and Plenipotentiary at Washington

REMARKS BY SECRETARY OF THE TREASURY VINSON

Our negotiation with the British has resulted in a happy conclusion which embraces many economic advantages for the American businessman, farmer, and worker. Like all sound agreements it is beneficial to both contracting parties.

The financial agreement will make possible a marked expansion of trade directly with the United

Kingdom and sterling-area countries. Increased commerce with many other countries will result indirectly. Thus this Nation will benefit and the likelihood of a world divided into rival economic blocs will be lessened.

It is significant that two Nations, although beset with the enormous problems of domestic reconversion, have arrived at a mutually advantageous arrangement which takes us another long step along the road to permanent peace and world security.

REMARKS BY SECRETARY OF STATE BYRNES¹

The agreement is not solely for the benefit of the United Kingdom. It is not solely for the benefit of the United States. It is for the benefit of both countries and of the world.

Three and a quarter billion dollars is a lot of money, but we must remember that it cost us that much to make war for two weeks.

It is not a gift or a grant. It is a loan with interest. In addition to repayment the United States receives benefits in the revision of trade policies which will enable us to do business with all nations and thus provide employment for the people of the United States.

If we fail to make this loan, Britain will be forced to do business by barter with a bloc of nations. Those nations in turn will be forced to do business with Britain in preference to other nations. That means dividing the world into economic blocs.

If the world is divided into economic blocs the peace of the world will be in danger. Wars frequently stem from trade conflicts. This is an effort to establish one world economically and is in accord with the spirit of the United Nations Charter.

REMARKS BY THE BRITISH AMBASSADOR, LORD HALIFAX¹

It has been a privilege to take part in these negotiations and it is a happiness to sign the agreement which crowns our labors. These have been long and arduous. They have covered a vast and difficult territory—finance, commercial policy, and lend-lease—but if they have been charged with a sense of the gravity and urgency of the issues, they have also been lightened by a spirit of friendship

and good-will among all who have had a share in them.

For we have indeed been partners in a great enterprise. We have tried together to lay the foundations of that wider trade upon which, as we all believe, not only the prosperity but also the peace of the world will largely depend.

That was also the purpose of the assistance which the representatives of the United States have agreed to make available, and which is designed, not to enable the people of the United Kingdom to lead an easy and comfortable life, but to equip them to play their part effectively in the reconstruction of world economy. This agreement is a welcome augury for the future; for it is a message to the world that the cooperation of our countries has not ended with the end of the war, and that we mean to go forward side by side along the path of peace.

JOINT STATEMENT BY U.S. AND U.K. REGARDING SETTLEMENT FOR LEND-LEASE, RECIPROCAL AID, SURPLUS WAR PROPERTY, AND CLAIMS

1. The Governments of the United States and the United Kingdom have reached an understanding for the settlement of lend-lease and reciprocal aid, for the acquisition of United States Army and Navy surplus property, and the United States interest in installations, located in the United Kingdom, and for the final settlement of the financial claims of each Government against the other arising out of the conduct of the war. Specific agreements necessary to implement these understandings, setting forth the terms in detail, and consistent herewith, are in the course of preparation and will shortly be completed.

2. This settlement for lend-lease and reciprocal aid will be complete and final. In arriving at this settlement both Governments have taken full cognizance of the benefits already received by them in the defeat of their common enemies. They have also taken full cognizance of the general obligations assumed by them in article VII of the mutual-

¹Made on the occasion of the signing of the Anglo-American financial agreement at the Department of State.

aid agreement of February 23, 1942, and the understandings agreed upon this day with regard to commercial policy. Pursuant to this settlement, both Governments will continue to discuss arrangements for agreed action for the attainment of the economic objectives referred to in article VII of the mutual-aid agreement. The Governments expect in these discussions to reach specific conclusions at an early date with respect to urgent problems such as those in the field of telecommunications and civil aviation. In the light of all the foregoing, both Governments agree that no further benefits will be sought as consideration for lend-lease and reciprocal aid.

3. The net sum due from the United Kingdom to the United States for the settlement of lend-lease and reciprocal aid, for the acquisition of surplus property, and the United States interest in installations, located in the United Kingdom, and for the settlement of claims shall be \$650,000,000 subject to the accounting adjustment referred to below. The amount consists of (a) a net sum of \$118,000,000 representing the difference between the amount of the services and supplies furnished or to be furnished by each Government to the other Government after V-J Day through lend-lease and reciprocal-aid channels, less the net sum due to the United Kingdom under the claims settlement, and (b) a net sum of \$532,000,000 for all other lend-lease and reciprocal-aid items, and for surplus property, and the United States interest in installations, located in the United Kingdom and owned by the United States Government. The actual amounts due to the respective Governments for items included in (a) above other than claims will, however, be ascertained by accounting in due course, and the total sum of \$650,000,000 will be adjusted for any difference between the sum of \$118,000,000 mentioned above and the actual sum found to be due. All new transactions between the two Governments after December 31, 1945 will be settled by cash payment.

4. The total liability found to be due to the Government of the United States will be discharged on the same terms as those specified in the Financial Agreement concluded this day for the discharge of the credit provided therein.

5. In addition to the financial payments referred to above, the two Governments have agreed upon the following:

(a) Appropriate non-discriminatory treatment will be extended to United States nationals in the

use and disposition of installations in which there is a United States interest;

(b) Appropriate settlements for the lend-lease interest in installations other than in the United Kingdom and the colonial dependencies will be made on disposal of the installations;

(c) The United States reserves its right of recapture of any lend-lease articles held by United Kingdom armed forces, but the United States has indicated that it does not intend to exercise generally this right of recapture;

(d) Disposals for military use to forces other than the United Kingdom armed forces of lend-lease articles held by the United Kingdom armed forces at V-J Day, and disposals for civilian use other than in the United Kingdom and the colonial dependencies of such lend-lease articles, will be made only with the consent of the United States Government, and any net proceeds will be paid to the United States Government. The United Kingdom Government agrees that except to a very limited extent it will not release for civilian use in, or export from, the United Kingdom and the colonial dependencies lend-lease articles held by the United Kingdom armed forces.

(e) The Government of the United Kingdom will use its best endeavors to prevent the export to the United States of any surplus property transferred in accordance with this understanding.

6. The Government of the United Kingdom agrees that, when requested by the Government of the United States from time to time prior to December 31, 1951, it will transfer, in cash, pounds sterling to an aggregate dollar value not in excess of \$50,000,000, at the exchange rates prevailing at the times of transfer, to be credited against the dollar payments due to the Government of the United States as principal under this settlement. The Government of the United States will use these pounds sterling exclusively to acquire land or to acquire or construct buildings in the United Kingdom and the colonial dependencies for the use of the Government of the United States, and for carrying out educational programs in accordance with agreements to be concluded between the two Governments.

7. The arrangements set out in this statement are without prejudice to any settlements concerning lend-lease and reciprocal aid which may be negotiated between the Government of the United States and the Governments of Australia, New Zealand, the Union of South Africa, and India.

Proposals on World Trade and Employment

JOINT STATEMENT BY THE UNITED STATES AND THE UNITED KINGDOM

The Secretary of State of the United States has made public today a document setting forth certain "Proposals for Consideration by an International Conference on Trade and Employment". These proposals have the endorsement of the Executive branch of the Government of the United States and have been submitted to other governments as a basis for discussion preliminary to the holding of such a conference.

Equally, the Government of the United Kingdom is in full agreement on all important points in these proposals and accepts them as a basis for international discussion; and it will, in common with the United States Government, use its best endeavors to bring such discussions to a successful conclusion, in the light of the views expressed by other countries.

The two Governments have also agreed upon the procedures for the international negotiation and implementation of these proposals. To this end they have undertaken to begin preliminary negotiations at an early date between themselves and with other countries for the purpose of developing concrete arrangements to carry out these proposals, including definitive measures for the relaxation of trade barriers of all kinds.

These negotiations will relate to tariffs and preferences, quantitative restrictions, subsidies, state trading, cartels, and other types of trade barriers treated in the document published by the United States and referred to above. The negotiations will proceed in accordance with the principles laid down in that document.

REMARKS BY ASSISTANT SECRETARY CLAYTON¹

In order to understand the British position and the need for an extension of credit at this time, we have to bear in mind two very important things. One is that Britain lives by imports, which is another way of saying that she lives by exports, perhaps more than any other major country in the world. And the other is that, in order to prosecute the war and mobilize her human and material resources to the greatest degree, she sacrificed her export trade.

At the time of V-J Day, her exports were running at about 30 percent of pre-war. Now, due to her great mobilization for war and the scattering of her manpower over the world, it is going to take her a long time to reconvert to peacetime production and to recover the export trade which is so essential as a means of providing payment for her necessary imports. It is estimated that this reconstruction may take upward of three or four years. During that period Britain will obviously run very heavy deficits in her balance-of-payments position with the rest of the world. The granting of this line of credit is primarily for the purpose of assisting her to meet those deficits.

If that were all that the credit did, it would not provide sufficient consideration to the United States. To be sure a large part of this money would be spent directly for American goods, and indirectly all of the money would be spent, in due course, in the United States. Our industries and our workers would obviously benefit from it. But if that were all, it would, in my opinion, not justify the credit.

In granting this credit to Britain, at this time, to do the immediate and urgent things that I have just indicated to you, we also enable Britain to undertake, with the United States, a full partnership in the enterprise of restoring the world to a multilateral trading basis and getting it off the bilateral barter and quota system that developed to such a great degree between the two world wars and, of course, was extended during this war. With the aid of this credit, Britain is enabled to abolish the sterling-area - dollar-pool arrangement within one year from the effective date of the agreement, so that whatever sterling is earned in Britain by any part of the world will no longer be treated

¹ Made at a press conference on Dec. 6, 1945.

PROPOSALS FOR EXPANSION OF WORLD TRADE AND EMPLOYMENT¹

FOR CONSIDERATION BY AN INTERNATIONAL CONFERENCE

Foreword by the Secretary of State

The proposals contained in this pamphlet¹ have been developed by experts drawn from several agencies of the United States Government, working together under the general chairmanship of William L. Clayton, Assistant Secretary of State, and are published, for consideration by the people of the United States and by the peoples and the governments of other countries, in preparation for

an International Conference on Trade and Employment.

It is important that such a Conference, based on these or similar proposals, should meet as soon as possible. Nations are now determining the policies which they will apply to trade in the postwar world. It is urgently necessary that these policies should be agreed upon, in order that the world may not separate into economic blocs.

The Government of the United States, therefore, believes that such a Conference should meet,

CLAYTON—Continued

as a frozen balance to be paid only with British or sterling-area goods but will become a balance which can be used for buying in any country in the world. That is the first very obvious and concrete consideration and benefit that the United States will derive.

Perhaps of even greater long-term importance is the fact that Britain will be enabled by this credit to join with the United States in full partnership in supporting our Proposals for the Expansion of World Trade and Employment. These proposals have been in preparation in our Government since the spring of 1943. We are now delivering them to the other countries of the world. They are to be considered in a World Trade Conference that we expect to have called for the summer of 1946. We have discussed these proposals with the British in great detail and our two countries are in agreement on all of the substantive portions of our document.

The American proposals are comprehensive. They deal with tariffs, preferences, cartels, quota arrangements, discriminations, possible commodity agreements, and so on. If we can achieve the objectives outlined therein, we will get the world out of the nationalistic, autarchic form of trading which has grown up in the last 25 years, and get it back on a multilateral world trading system. This, from our point of view, is of enormous importance. It will open the markets of the world in the United States. Nor is its importance solely economic. It has great potentialities, as well, for world peace. We cannot long have cooperation in the political and military field if economic warfare should continue.

Consider what Britain's alternative would be if she were not able to get this line of credit from the United States. Britain, as you know, is the greatest importer of goods in the world. She would be thrown back on defensive methods of trading. She would be compelled to confine her purchases to those countries which would be willing to accept, in payment, sterling in London, and this sterling would have to be spent for goods or services produced in Britain or elsewhere in the sterling area. You would therefore have a system which would prevent the buyer from buying in the cheapest market and the seller from selling in the dearest market. Instead, this system would require the channeling of all trade within the narrow limits which might be fixed by governments. That is the sort of a system that we want to get the world away from if we possibly can. The agreement that has just been reached with Great Britain would make this possible; it would put Britain in a position to join in full partnership with us in bringing about a multilateral, non-discriminatory trading system throughout the world. This, in our opinion, is the consideration of the greatest value to the United States. It will open up the markets of the world to our goods and should lay the foundation for a period of expansion in production, consumption, and the exchange of goods and services, and a rising standard of living for all peoples everywhere.

¹ The Department of State announced on Dec. 6, 1945, that the Secretary of State had transmitted to the governments of other countries the texts of the American proposals. These proposals are printed as Department of State publication 2411.

under the sponsorship of the United Nations, not later than the summer of 1946. The representatives of the United States in the appropriate organs of the United Nations will urge that this be done.

The success of such a Conference depends on adequate preparation. This preparation should go forward immediately. The present publication and the careful work that lies behind it represent a determined effort to come to grips with the problems that will confront such a Conference and so to prepare the way for its success.

JAMES F. BYRNES

Letter of Assistant Secretary Clayton

DEPARTMENT OF STATE
WASHINGTON

November 1, 1945.

MR. SECRETARY:

I hand you herewith "Proposals for Consideration by an International Conference on Trade and Employment", together with a statement of their purpose.

These proposals have been developed over many months by a group of experts drawn from all the interested departments and agencies of the government. They are intended to suggest a way in which the United States and other countries may concert their policy and action in the field of international trade so that the enormous productive powers which lie all about us may be released to operate fully for the general benefit. They are not regarded as final and perfect, but as a working basis for discussion and, I hope, for international action in the near future.

It is important that international agreement on the range of questions covered by these proposals be reached soon. All countries are faced by serious commercial problems and are taking action on them every day. Unless they act together, they will act at cross purposes and may well do serious damage to each other. But if they do act together, there is every possibility that the peoples of the world may enjoy, in our lifetime, a higher degree of prosperity and welfare than they have ever had before. Powers of production are now the greatest that the world has known. To bring them into play requires agreement on principles of exchange and distribution which will permit trade, produc-

tion, employment, and consumption all to expand together.

I therefore recommend that these proposals be published as a basis of discussion and I would hope that such discussion might lead to an International Conference on Trade and Employment, to meet under the sponsorship of the United Nations, not later than the summer of 1946.

Respectfully,

WILLIAM L. CLAYTON

Analysis of the Proposals

The main prize of the victory of the United Nations is a limited and temporary power to establish the kind of world we want to live in.

That power is limited by what exists and by what can be agreed on. Human institutions are conservative; only within limits can they be moved by conscious choice. But after a great war some power of choice exists; it is important that the United Nations use it wisely.

The fundamental choice is whether countries will struggle against each other for wealth and power, or work together for security and mutual advantage. That choice was made in principle at San Francisco and has since been ratified by the overwhelming majority of the governments concerned. The business of the immediate future is to give that decision the necessary body of common institutions and so to support those institutions that the experiment may succeed.

Success requires that the United Nations work together in every field of common interest, in particular the economic. The experience of cooperation in the task of earning a living promotes both the habit and the techniques of common effort and helps make permanent the mutual confidence on which the peace depends. The United Nations have therefore created not only an Economic and Social Council but special bodies to help them work together on many practical matters. Already there exist, or are in process of creation, agencies to deal with emergency relief, with currency, with international investment, with civil aviation, with labor, and with food and agriculture.

The United Nations should also endeavor to harmonize their policies with respect to international trade and employment. An International Trade Organization is still to be created. To this

end, it is now proposed that an International Conference on Trade and Employment should be called by the United Nations, to meet not later than the summer of 1946.

The common interests of countries in world trade are obvious. Science and technology have enormously increased the productive powers of man. Limits upon human welfare are imposed today, not by the ultimate poverty of nature's resources, but by failure to use human powers to the full. Among the factors which obstruct our march toward the goal of freedom from want are excessive restrictions on exchange and distribution. Progress requires release from these restrictions.

Every country has its arrangements for the organization of production and distribution within its borders. To make the best use of these arrangements, countries must exchange their products. World trade is not only the device through which useful goods produced in one country are made available to consumers in another; it is also the means through which the needs of people in one country are translated into orders and therefore into jobs in another. Trade connects employment, production and consumption and facilitates all three. Its increase means more jobs, more wealth produced, more goods to be enjoyed.

Countries should therefore join in an effort to release trade from the various restrictions which have kept it small. If they succeed in this they will have made a major contribution to the welfare of their peoples and to the success of their common efforts in other fields.

International trade is kept small by four things:

- (1) Restrictions imposed by governments;
- (2) Restrictions imposed by private combines and cartels;
- (3) Fear of disorder in the markets for certain primary commodities;
- (4) Irregularity, and the fear of irregularity, in production and employment.

The Proposals which are herewith published deal with each of these problems.

I. RELEASE FROM RESTRICTIONS IMPOSED BY GOVERNMENTS

Governments have restricted the freedom of traders by many measures and for many reasons. They will continue to do so. No government is ready to embrace "free trade" in any absolute sense. Nevertheless, much can usefully be done by inter-

national agreement toward reduction of governmental barriers to trade.

These barriers take many forms. A transaction between a willing buyer in one country and a willing seller in another may be prevented because the tariff of the buyer's country creates an added cost too great to be borne; or because the paperwork required for export or import is so burdensome that the deal is not worth while; or because the seller cannot get an export license; or because the buyer cannot acquire the seller's currency to make a payment; or because importation is restricted by the buyer's country to a quota which has been exhausted; or because it is forbidden altogether. Or the seller may discover that the tariff of the buyer's country discriminates against him in favor of sellers located elsewhere.

All these restrictions and the red tape connected with them have undoubtedly prevented many business transactions, cut down the total of world trade, and reduced to that extent the benefits which trade might bring to all the parties concerned.

Barriers of this sort are imposed because they serve or seem to serve some purpose other than the expansion of world trade. Within limits they cannot be forbidden. But when they grow too high, and especially when they discriminate between countries or interrupt previous business connections, they create bad feeling and destroy prosperity. The objective of international action should be to reduce them all and to state fair rules within which those that remain should be confined.

This has often been attempted between two countries at a time or among several countries with respect to a single problem. These attempts have not been adequate because the many barriers are interdependent. Every country has its own kind of restriction, adapted to its own situation, and can hardly be expected to throw off its peculiar armor unless the other kinds of armor, employed by other countries, are thrown off at the same time. What is needed is a broad and yet detailed agreement, among many nations, dealing at one time with many different sorts of governmental restrictions upon trade, reducing all of them at once on a balanced and equitable basis, and stating rules and principles within which the restrictions permitted to remain should be administered. To prepare such an agreement should be one of the main tasks

of the International Conference on Trade and Employment.

The Proposals now published afford a basis on which agreement might be reached. Rules are suggested to limit quotas and embargoes to carefully defined cases and to avoid discrimination in their application. Provision is made for the substantial reduction of tariffs and the elimination of tariff preferences. Subsidies, especially subsidies on exports, would be brought under supervision. Local taxes on imported products would be limited to rates no higher than those levied on like products produced at home. Agencies of governments conducting foreign trade would be asked to give fair treatment to the commerce of friendly states, to make their purchases and sales on economic grounds, and to avoid using a monopoly of imports to afford excessive protection to domestic producers. On these and other points the Proposals try to state fair principles acceptable to all and of benefit to all.

The proof of any principle is in its application. Therefore, effective preparation for the Conference must include detailed negotiations on trade barriers to commence as soon as possible. These negotiations should get down to cases, seeking to reduce tariffs, to eliminate preferences, and to lighten or remove other barriers to trade, whatever they may be.

In the United States, such negotiations are conducted under the Reciprocal Trade Agreements Act, which was renewed by Congress in June 1945 with an increase of the authority conferred upon the President. The use of that authority is one of the most important contributions which the United States can make to the success of the Conference.

Accordingly, this country should undertake negotiations under the Trade Agreements Act with several other governments as soon as a mutually satisfactory basis can be found, the required notices published, the statutory public hearings held, and their results considered. These negotiations cannot practicably be conducted with all countries at the same time, but the effort should be to get forward with the work, commencing before the general Conference convenes and continuing until every friendly country has participated in the enterprise.

Together, if they will, the countries of the world now have it in their power to free their trade from excessive governmental barriers. When that hap-

pens and to the extent that it happens, more ships will sail with fuller cargoes, more men will be employed, more goods will be produced, and more people will have better things to eat and wear and otherwise consume.

II. RELEASE FROM RESTRICTIONS IMPOSED BY PRIVATE COMBINES AND CARTELS

Trade may also be restricted by business interests in order to obtain the unfair advantage of monopoly.

In many lines this has not happened, but in others, as experience discloses, firms have banded together to restrain competition by fixing common selling prices, by dividing the world into exclusive markets, by curtailing production, by suppressing technology and invention, by excluding their rivals from particular fields, and by boycotting outsiders. These practices destroy fair competition and fair trade, damage new businesses and small businesses, and levy an unjust toll upon consumers. Upon occasion, they may be even more destructive of world trade than are restrictions imposed by governments.

Goods can surmount a tariff if they pay the duty; they can enter despite a quota if they are within it. But when a private agreement divides the markets of the world among the members of a cartel, none of those goods can move between the zones while the contract is in force. Clearly, if trade is to increase as a result of the lightening of government restrictions, the governments concerned must make sure that it is not restrained by private combinations.

The Proposals therefore contemplate that countries will act, individually and cooperatively, to curb those restrictive business practices in international trade which interfere with the objectives of increased production and trade, access on equal terms to markets and raw materials, and high levels of employment and real income.

To this end, it is suggested that a special agency be established within the International Trade Organization to receive complaints concerning restrictive practices of international combines and cartels, to obtain and examine the facts which are relevant to such cases, and to advise the Organization as to the remedies that may be required.

Enforcement against private violators necessarily rests with member governments. It will be the function of the Organization to recommend to

these governments that they take action under their own laws and procedures. In the United States, enforcement would continue to be by judicial proceedings under the antitrust laws.

III. RELEASE FROM FEAR OF DISORDER IN THE MARKETS FOR PRIMARY COMMODITIES

After a great war there is danger of violent and rapid movement in the markets for primary commodities. The production of some things has been increased enormously to meet a war demand or to replace sources of production cut off by enemy action. Some time after the end of the fighting, the war demand subsides, goods held by the armies are returned to normal channels, and old sources of production come back into the markets and add to supplies. There is suddenly too much of some commodities and the prices react accordingly. Many countries learned after the last war that such changes can be devastating.

If the Proposals so far discussed can be put into effect, a great advance will have been made toward increasing trade and business activity. The resulting expansion of incomes and consumption should go a long way toward enlarging the demand for primary commodities. The best cure for any surplus is more money in the pockets of consumers. And general prosperity will make it easier for people caught by a particular failure of demand to shift to other lines where opportunities are better.

Such shifts are occurring all the time in any progressive society. Public policy should not seek to prevent them, for they are a necessary part of the process by which the economy meets the changing needs of the people. But if the changes come too fast they may bring serious distress to many small producers and to their communities. It is important that the needed changes be made gradually.

When excess supplies threaten, the first effort obviously should be to increase consumption. But if study discloses that that cannot be done rapidly enough to be effective, other measures may be needed. And since action by one country is quite likely to affect producers and consumers in another, there should be consultation between governments.

Consultation may result in a proposal for an intergovernmental commodity agreement. Such agreements are not intended to freeze existing patterns of production, but rather to provide a program of adjustment and a period of time within

which the essential changes can be made without undue hardship.

During the transition, it may be necessary to restrict production or exports, to fix prices, or to allocate shares of markets among producing countries. Controls of this sort should not be applied in any case unless the need is real and serious, affecting many people, and not curable by the normal process of competition. And when they are set up they should be strictly temporary, lasting no longer than required to carry out the necessary shifts. Their purpose is not to protect vested interests, but to prevent widespread distress during the course of necessary change.

Intergovernmental restrictions on production or on exports might be used—like international cartels—to take unfair advantage of consumers. Therefore the Proposals recommend adherence to the rule that consuming countries be entitled to participate along with producers in the original consideration of such agreements and be entitled also to an equal voice in their administration. Furthermore, there should be full publicity about each scheme and all its operations, in order that the world may make sure that it is managed in the general interest.

IV. RELEASE FROM FEAR OF IRREGULARITY IN PRODUCTION AND EMPLOYMENT

Every country will seek so to manage its own affairs that its business life will be free from violent depressions. The object of international action should be to insure that these national efforts reinforce each other and do not cancel out.

The industrial activity of every country is affected by the size and the regularity of its orders from abroad. When industry in any country slows down and its purchases of foreign materials are cut, the effects are felt in every corner of the globe. Full and regular production at home, with increased participation in world trade, is the greatest boon which any people can confer upon producers throughout the world.

It is important, however, that nations should not seek to obtain full employment for themselves by exporting unemployment to their neighbors. To seek employment by prohibiting imports or by subsidizing exports would be harmful and self-defeating. The business of the Conference, therefore, should be to establish general agreement that each country will seek, on its own account, to main-

tain full and regular production, that it will not do so by using measures which would damage other countries or prevent the expansion of world trade, and that all countries will cooperate in exchanging information and participate in consultations with respect to anti-depression policies.

V. AN INTERNATIONAL TRADE ORGANIZATION

Arrangements on this scale clearly require, for their successful operation, both an international forum where they may be discussed and improved and an international staff to assist in their administration.

The Proposals therefore suggest that an International Trade Organization be created, to stand beside the existing international agencies dealing with currency, investment, agriculture, labor, and civil aviation. It should have a constitution much like those of the other agencies set up by the United Nations, with enough internal specialization to enable it to perform the tasks assigned to it in dealing with trade barriers, restrictive business practices, and international commodity arrangements. Detailed suggestions on this matter are contained in the Proposals.

The Organization should be designed as the central international agency to deal with trade. It should be brought into relation with the Economic and Social Council in the manner provided in the Charter of the United Nations.

The Proposals reflect awareness that we live in a world of many countries with a variety of economic systems. They seek to make it possible for those systems to meet in the market-place without conflict, thus to contribute each to the other's prosperity and welfare. In no case do they impinge upon sovereign independence, but they do recognize that measures adopted by any country may have effects abroad and they suggest for general adoption fair rules of mutual tolerance.

The purpose is to make real the principle of equal access to the markets and the raw materials of the world, so that the varied gifts of many peoples may exert themselves more fully for the common good. The larger purpose is to contribute to the effective partnership of the United Nations, to the growth of international confidence and solidarity, and thus to the preservation of the peace.

Text of the Proposals

A. NEED FOR INTERNATIONAL ECONOMIC COOPERATION

1. Collective measures to safeguard the peoples of the world against threats to peace and to reach just settlements of disputes among nations must be based not only on international machinery to deal directly with disputes and to prevent aggression, but also on economic cooperation among nations with the object of preventing and removing economic and social maladjustments, of achieving fairness and equity in economic relations between states, and of raising the level of economic well-being among all peoples.

2. Important contributions have already been made toward the attainment of these objectives. The Food and Agriculture Organization of the United Nations has been established. An International Monetary Fund to maintain reasonable exchange stability and facilitate adjustment in the balance of payments of member countries, and an International Bank for Reconstruction and Development to provide financial resources on a cooperative basis for those purposes are awaiting the action of governments required for their establishment.

3. In order to reach the objectives of the Atlantic Charter and Article VII of the mutual-aid agreements, it is essential that the cooperative economic measures already taken or recommended be supplemented by further measures dealing directly with trade barriers and discriminations which stand in the way of an expansion of multilateral trade and by an undertaking on the part of nations to seek full employment.

4. Cooperative action with respect to trade and employment is indispensable to the success of such other measures as those dealing with monetary and exchange stability and the flow of investment capital. Effective action in regard to employment and to trade barriers and discriminations must, therefore, be taken or the whole program of international economic cooperation will fail, and an economic environment conducive to the maintenance of peaceful international relations will not be created.

B. PROPOSALS CONCERNING EMPLOYMENT

Since high and stable levels of employment are a necessary condition for an enlarged volume of trade, and since problems of trade and employ-

ment are to be considered jointly at an international conference, the following propositions are advanced.

Governing Principles

1. It is recognized that:

a. In all countries high and stable employment is a main condition for the attainment of satisfactory levels of living.

b. The attainment of approximately full employment by the major industrial and trading nations, and its maintenance on a reasonably assured basis, are essential to the expansion of international trade on which the full prosperity of these and other nations depends; to the full realization of the objectives of all liberal international agreements in such fields as commercial policy, commodity problems, restrictive business practices, monetary stabilization, and investment; and, therefore, to the preservation of world peace and security.

2. Domestic programs to expand employment should be consistent with realization of the purposes of liberal international agreements and compatible with the economic well-being of other nations.

3. It is recognized that the adoption of the Bretton Woods Agreements and of measures to reduce restrictions on trade will contribute substantially to the maintenance of productive employment.

4. The United Nations have pledged, in the Charter of the United Nations Organization, to take joint and separate action in cooperation with the Organization to achieve the economic and social purposes of the United Nations, including higher standards of living, full employment, and conditions of economic and social progress and development.

Effectuation of Aims

There should be an undertaking that:

1. Each of the signatory nations will take action designed to achieve and maintain full employment within its own jurisdiction, through measures appropriate to its political and economic institutions.

2. No nation will seek to maintain employment through measures which are likely to create unemployment in other countries or which are incompatible with international undertakings de-

signed to promote an expanding volume of international trade and investment in accordance with comparative efficiencies of production.

3. Signatory nations will make arrangements, both individually and collaboratively under the general sponsorship of the Economic and Social Council of the United Nations Organization, for the collection, analysis, and exchange of information on employment problems, trends, and policies.

4. Signatory nations will, under the general sponsorship of the Economic and Social Council, consult regularly on employment problems and hold special conferences in case of threat of widespread unemployment.

C. PROPOSALS CONCERNING AN INTERNATIONAL TRADE ORGANIZATION

Need for an International Trade Organization

1. Measures designed to effect an expansion of trade are essential because of their direct contribution to maximum levels of employment, production and consumption. Since such expansion can only be attained by collective measures, in continuous operation and adaptable to economic changes, it is necessary to establish permanent machinery for international collaboration in matters affecting international commerce, with a view to continuous consultation, the provision of expert advice, the formulation of agreed policies, procedures and plans, and to the development of agreed rules of conduct in regard to matters affecting international trade.

2. It is accordingly proposed that there be created an International Trade Organization of the United Nations, the members of which would undertake to conduct their international commercial policies and relations in accordance with agreed principles to be set forth in the articles of the Organization. These principles, in order to make possible an effective expansion of world production, employment, exchange, and consumption, should:

a. Provide an equitable basis for dealing with the problems of governmental measures affecting international trade;

b. Provide for the curbing of restrictive trade practices resulting from private international business arrangements; and

c. Govern the institution and operation of inter-governmental commodity arrangements.

Proposed International Trade Organization

There follows an outline of the principles which it is proposed should be incorporated in the articles of the Organization.

CHAPTER I

Purposes

The purposes of the Organization should be:

1. To promote international commercial cooperation by establishing machinery for consultation and collaboration among member governments regarding the solution of problems in the field of international commercial policies and relations.

2. To enable members to avoid recourse to measures destructive of world commerce by providing, on a reciprocal and mutually advantageous basis, expanding opportunities for their trade and economic development.

3. To facilitate access by all members, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity.

4. In general, to promote national and international action for the expansion of the production, exchange and consumption of goods, for the reduction of tariffs and other trade barriers, and for the elimination of all forms of discriminatory treatment in international commerce; thus contributing to an expanding world economy, to the establishment and maintenance in all countries of high levels of employment and real income, and to the creation of economic conditions conducive to the maintenance of world peace.

CHAPTER II

Membership

The original members of the Organization should be those countries participating in the Conference on Trade and Employment which accept membership.

CHAPTER III

General Commercial Policy

Section A. General Commercial Provisions

Members should undertake:

1. To accord to products imported from other members treatment no less favorable than that accorded to domestic products with regard to matters affecting the internal taxation and regulation of the trade in goods.

2. To provide, for products in transit through their territories, coming from or going to other members, freedom from customs and transit duties, from unreasonable transit charges, and from discriminatory treatment of all kinds.

3. To subscribe to a general definition of the circumstances under which antidumping and countervailing duties may properly be applied to products imported from other members.

4. To give effect, as soon as practicable, to agreed principles of tariff valuation designed to assure the use of true commercial values as a basis for assessing duties, and to cooperate with other members and with the Organization in working out internationally acceptable valuation procedures of a standardized character.

5. To give effect, as soon as practicable, to agreed principles looking toward the simplification of customs formalities with a view to eliminating unnecessary requirements which afford an indirect protection to domestic products.

6. To eliminate excessive requirements regarding marks of origin in so far as they affect products imported from other members.

7. To refrain from governmentally financed or organized boycotts or campaigns designed to discourage, directly or indirectly, importation or consumption of products of other members.

8. To provide for adequate publicity regarding laws and regulations affecting foreign trade, and to maintain or establish national tribunals of an independent character to review and correct administrative customs action.

9. To transmit to the Organization appropriate trade information and statistics.

10. To cooperate with the Organization and with other members in carrying out or implementing the articles of the Organization.

Section B. Tariffs and Preferences

1. *Import tariffs and preferences.* In the light of the principles set forth in Article VII of the mutual aid agreements, members should enter into arrangements for the substantial reduction of tariffs and for the elimination of tariff preferences, action for the elimination of tariff preferences being taken in conjunction with adequate measures for the substantial reduction of barriers to world trade, as part of the mutually advantageous arrangements contemplated in this document.

As an initial step in the process of eliminating tariff preferences it should be agreed that:

a. Existing international commitments will not be permitted to stand in the way of action agreed upon with respect to tariff preferences.

b. All negotiated reductions in most-favored-nation tariffs will operate automatically to reduce or eliminate margins of preference.

c. Margins of preference on any product will in no case be increased and no new preferences will be introduced.

2. Export tariffs and preferences. Export duties should be open to negotiation in the same way as import duties. Members should undertake not to impose or maintain export duties which differentiate by reference to the destinations to which the goods are exported.

3. Emergency action. Commitments with regard to tariffs should permit countries to take temporary action to prevent sudden and widespread injury to the producers concerned. Undertakings for reducing tariffs should therefore contain an escape clause to cover such contingencies.

Section C. Quantitative Trade Restrictions

1. General elimination of quantitative restrictions. Except as provided for elsewhere in this Chapter, members should undertake not to maintain any quotas, embargoes, or other quantitative restrictions on their export or import trade with other members. This undertaking should not, however, apply to the following:

a. Import and export prohibitions or restrictions, imposed during the early postwar transitional period, which are essential to (*a*) the efficient use of shipping space in short supply, (*b*) the equitable international distribution of products in short supply, or (*c*) the orderly liquidation of temporary surpluses of government stocks accumulated as a result of the war. Such prohibitions and restrictions should be removed not later than three years after the close of hostilities, but provision should be made whereby this period may be extended with the concurrence of the Organization.

b. Export prohibitions or restrictions temporarily imposed to relieve conditions of distress in the exporting country caused by severe shortages of foodstuffs or other essential products.

c. Export prohibitions or restrictions necessary to the application of suitable standards for the classification and grading of commodities in international commerce.

d. Export or import quotas imposed under intergovernmental commodity agreements conforming to the principles set forth in Chapter V.

e. Import quotas on agricultural products, imported in any form, necessary to the enforcement of governmental measures which operate (*a*) to restrict the quantities of like domestic products which may be marketed or produced, or (*b*) to remove a temporary surplus of like domestic products by making such surpluses available to certain groups of domestic consumers free of charge or at prices below the current market level. Such quotas should not be more restrictive than necessary, should be removed as soon as they cease to be necessary for the purposes of this subparagraph, and should be made the subject of periodic consultation with the Organization. If such quotas are allocated among sources of supply, they should be allocated fairly, on the basis of imports during a previous representative period, account being taken in so far as practicable of any special factors which may have affected or which may be affecting the trade in the product concerned. Import quotas imposed under (*a*) of this subparagraph should not be such as would reduce imports relatively to domestic production as compared with the proportion prevailing in a previous representative period, account being taken in so far as practicable of any special factors which may have affected or which may be affecting the trade in the product concerned.

2. Restrictions to safeguard the balance of payments. Members confronted with an adverse balance of payments should be entitled to impose quantitative import restrictions as an aid to the restoration of equilibrium in the balance of payments. This provision should be operative under conditions and procedures to be agreed upon. These conditions and procedures

a. should set forth criteria and requirements in the light of which balance-of-payments restrictions might be imposed;

b. should, as regards the use of such restrictions in the post-war transitional period, be framed on principles which would be designed to promote the maximum development of multilateral trade during that period and which in no event would be more restrictive of such trade than the principles applicable, under Article XIV of the International Monetary Fund Agreement, to the

use of exchange restrictions in the transitional period;

c. should provide for the determination of the transitional period for the purposes of subparagraph *b* above, by a procedure analogous to that contained in Article XIV of the International Monetary Fund Agreement;

d. should provide for the full application of nondiscrimination in the use of such restrictions after the transitional period; and

e. should make appropriate provision for international consultation regarding balance-of-payments restrictions, whether imposed during the transitional period or thereafter.

3. *Equality of treatment.* Quantitative restrictions imposed on balance-of-payments grounds should be deemed nondiscriminatory if they are administered on a basis which does not discriminate among sources of supply in respect of any imported product.

a. In the case of restrictions imposed in the form of quotas, members imposing such quotas should publish the global amounts or values of the various products which will be permitted to be imported during a specified future period. Any allocation of such quotas among sources of supply should be based in so far as practicable upon the proportion of the total imports of the product in question supplied by the various member countries in a previous representative period, account being taken of any special factors which may have affected or which may be affecting the trade in that product.

b. In the case of restrictions not imposed in the form of quotas, the member imposing the restrictions should undertake to provide, upon the request of any other member having an interest in the product concerned, all relevant information as to the administration of the restriction, including information as to the import licenses granted over a past period and the distribution of such licenses among sources of supply.

c. Any member should be entitled to raise with the Organization the question as to whether another member was imposing balance-of-payments restrictions, whether in the form of quotas or otherwise, in a manner not in harmony with the guiding principles stated above or in a manner which unnecessarily injured its commerce, and the member imposing the restrictions should undertake in these circumstances to discuss the grounds on which it had acted.

4. *Inconvertible currencies.* The undertakings set forth in paragraph 3, above, should not apply in cases in which their application would have the effect of preventing a member from utilizing inconvertible currencies for buying needed imports.

5. *Scarce currencies and currencies of territories having a common quota in the Monetary Fund.* Members should not be precluded by this Section from applying quantitative restrictions *a)* in pursuance of action which they may take under Article VII of the International Monetary Fund Agreement, relating to scarce currencies, or *b)* in a manner designed to maintain the par value of the currencies of territories having a common quota in the Monetary Fund, in accordance with Article XX, Section 4 (g) of that Agreement.

6. *Application of quantitative restrictions by state-trading organizations.* The provisions of this Section relating to quantitative restrictions on imports for balance-of-payments reasons should apply equally to the restriction of imports by state-trading organizations for the same reasons.

Section D. Subsidies

1. *Subsidies in general.* Subject to the provisions of paragraphs 2 and 3, below, members granting any subsidy which operates to increase exports or reduce imports should undertake to keep the Organization informed as to the extent and nature of the subsidy, as to the reason therefor and as to the probable effects on trade. They should also be prepared, in cases where, under procedures approved by the Organization, it is agreed that serious injury to international trade threatens to result from the operation of the subsidy, to discuss with other members or with the Organization possible limitations on the quantity of the domestic product subsidized. In this paragraph, the term "subsidy" includes any form of internal income or price support.

2. *Export subsidies.* Subject to the provisions of paragraph 3, below, members should undertake not to take any action which would result in the sale of a product in export markets at a price lower than the comparable price charged for the like product to buyers in the home market, due allowance being made for differences in conditions and terms of sale, for differences in taxation, and for other differences affecting price comparability. This undertaking should take effect, at latest, within 3 years of the establishment of the Organization. If at the end of that time any member considers itself unable to comply with the under-

taking in respect of any particular commodity or commodities, it should inform the Organization, with an explanation of the reasons. It should then be decided by consultation among the interested members under procedures approved by the Organization whether there should be some further extension of time for the member desiring it in respect of the commodity or commodities concerned.

3. *Commodities in surplus supply.*

a. When it is determined, in accordance with procedures approved by the Organization, that a commodity is, or is likely to become in burdensome world surplus, the members which are important producers or consumers of the commodity should agree to consult together with a view to promoting consumption increases, to promoting the reduction of production through the diversion of resources from uneconomic production, and to seeking, if necessary, the conclusion of an intergovernmental commodity arrangement in accordance with the principles of Chapter V.

b. If, however, within a reasonable time to be agreed upon, such steps should fail of their object, the provisions of paragraphs 1 and 2, above, should cease to apply to such product until such time as it has been agreed under procedures approved by the Organization that those provisions should be reapplied to it.

c. With regard to any export subsidies which may be imposed under subparagraph (b), no member should employ such subsidies so as to enlarge its share of the world market, as compared with the share prevailing in a previous representative period. The question as to what period would be representative in respect of the particular product concerned should be a subject for international consultation through the Organization.

Section E. State Trading

1. *Equality of treatment.* Members engaging in state trading in any form should accord equality of treatment to all other members. To this end, members should undertake that the foreign purchases and sales of their state-trading enterprises shall be influenced solely by commercial considerations, such as price, quality, marketability, transportation and terms of purchase or sale.

2. *State monopolies of individual products.* Members maintaining a state monopoly in respect of any product should undertake to negotiate, in

the manner contemplated for tariffs, the maximum protective margin between the landed price of the product and the price at which the product (of whatever origin, domestic or foreign) is sold in the home market. Members newly establishing such monopolies should agree not to create protective margins greater than the tariffs which may have been negotiated in regard to those products. Unless the product is subject to rationing, the monopoly should offer for sale such quantities of the product as will be sufficient to satisfy the full domestic demand.

3. *Complete state monopolies of foreign trade.* As the counterpart of tariff reductions and other actions to encourage an expansion of multilateral trade by other members, members having a complete state monopoly of foreign trade should undertake to purchase annually from members, on the nondiscriminatory basis referred to in paragraph 1, above, products valued at not less than an aggregate amount to be agreed upon. This global purchase arrangement should be subject to periodic adjustment in consultation with the Organization.

Section F. Exchange Control

1. *Relation to the International Monetary Fund.* In order to avoid the imposition of trade restrictions and discriminations through exchange techniques, the members of the International Trade Organization should abide by the exchange principles established pursuant to the Articles of Agreement of the International Monetary Fund and for this reason it should be required that the Organization and the Fund have a common membership.

2. *Equality of exchange treatment.* Members maintaining or establishing exchange restrictions should undertake to accord to the trade of other members the equality of treatment with respect to all aspects of such restrictions required under the provisions of the Articles of Agreement of the International Monetary Fund or, in cases where the approval of the Fund is required, the equality of treatment prescribed by the Fund after consultation with the International Trade Organization.

Section G. General Exceptions

The undertakings in this Chapter should not be construed to prevent members from adopting or enforcing measures:

1. necessary to protect public morals;

2. necessary to protect human, animal or plant life or health;
3. relating to the traffic in arms, ammunition and implements of war, and, in exceptional circumstances, all other military supplies;
4. relating to the importation or exportation of gold or silver;
5. necessary to induce compliance with laws or regulations, such as those relating to customs enforcement, deceptive practices, and the protection of patents, trademarks and copyrights, which are not inconsistent with the purposes of the Organization;
6. relating to prison-made goods;
7. imposed for the protection of national treasures of artistic, historic or archaeological value;
8. undertaken in pursuance of obligations for the maintenance of peace and security; or
9. imposed, in exceptional cases, in accordance with a recommendation of the Organization formulated in accordance with criteria and procedures to be agreed upon.

Section II. Territorial Application of Chapter III

1. *Customs territories.* The provisions of Chapter III should apply to the customs territories of the members. If any member has more than one customs territory under its jurisdiction, each customs territory should be considered a separate member for the purpose of applying the provisions of Chapter III.

2. *Frontier traffic and customs unions.* The provisions of Chapter III should not prevent any member *a*) from according advantages to adjacent countries in order to facilitate frontier traffic or *b*) from joining a customs union, provided that such customs union meets certain agreed criteria. Members proposing to join a customs union should consult with the Organization and should make available to it such information as would enable it to make appropriate reports and recommendations.

CHAPTER IV

Restrictive Business Practices

1. *Curbing of restrictive business practices.* There should be individual and concerted efforts by members of the Organization to curb those restrictive business practices in international trade (such as combinations or agreements to fix prices and terms of sale, divide markets or territories, limit production or exports, suppress technology

or invention, exclude enterprises from particular fields, or boycott or discriminate against particular firms) which have the effect of frustrating the objectives of the Organization to promote expansion of production and trade, equal access to markets and raw materials, and the maintenance in all countries of high levels of employment and real income.

2. *Cooperation among members.* In order to achieve the purposes of paragraph 1, the Organization should be charged with the furtherance of this objective. The Organization should receive complaints from any member (or, with the permission of the member, from commercial enterprises within its jurisdiction who allege that their interests are affected), that the objectives of the Organization are being frustrated by a private international combination or agreement. The Organization should be empowered to call upon any member to provide information relevant to such a complaint; it should consider such data and, if warranted, make recommendations to the appropriate members for action in accordance with their respective laws and procedures; it should be empowered to request reports from members as to their actions in implementing such recommendations, and to report thereon. The Organization should also be authorized, within the scope of its subject matter, to conduct studies, to make recommendations concerning uniform national standards, and to call conferences of member states for purposes of general consultation.

3. *Continued effectiveness of national laws and regulations directed against restrictive business practices.* Any act or failure to act on the part of the Organization should not preclude any member from enforcing within its own jurisdiction any national statute or decree directed toward the elimination or prevention of restrictive business practices in international trade.

4. *Special enforcement arrangements.* It should be provided that members may, by mutual accord, cooperate in measures for the purpose of making more effective any remedial order which has been issued by a duly authorized agency of another member.

CHAPTER V

Intergovernmental Commodity Arrangements

The production of, and trade in, primary commodities is exposed to certain difficulties different

in character from those which generally exist in the case of manufactured goods; and these difficulties, if serious, may have such widespread repercussions as to prejudice the prospect of the general policy of economic expansion. Members should therefore agree upon the procedure which should be adopted to deal with such difficulties.

1. *Special commodity studies.*

a. Special studies should be made in accordance with the procedure set forth in *b*, below, of the position of particular commodities of which excess supplies exist or are threatened, to the end that, if possible, consumption may be increased and the anticipated difficulties may thereby be averted.

b. Members substantially interested in the production or consumption of a particular commodity should be entitled, if they consider that special difficulties exist or are expected to arise regarding that commodity, to ask that a special study of that commodity be made, and the Organization, if it finds that these representations are well founded, should invite the members principally concerned in the production or consumption of that commodity to appoint representatives to a Study Group to make a special study of that commodity.

2. *Intergovernmental commodity conferences.* If it is concluded, in the light of an investigation of the root causes of the problem, that measures for increasing the consumption of a commodity are unlikely to operate quickly enough to prevent excess supplies of the commodity from accumulating, the members may ask the Organization to convene an intergovernmental conference for the purpose of framing an intergovernmental commodity agreement for the commodity concerned.

3. *Objectives of intergovernmental commodity agreements.* It should be recognized that intergovernmental commodity agreements involving restrictions on production or trade would be justified in the circumstances stated in paragraph 2 above to achieve the following objectives:

a. To enable member countries to find solutions to particular commodity problems without resorting to unilateral action that tends to shift the burden of their problems to other countries.

b. To prevent or alleviate the serious economic problems which may arise when, owing to the difficulties of finding alternative employment, production adjustments cannot be effected by the free

play of market forces as rapidly as the circumstances require.

c. To provide a period of transition which will afford opportunities for the orderly solution of particular commodity problems by agreement between member governments upon a program of over-all economic adjustments designed to promote a shift of resources and manpower out of over-expanded industries into new and productive occupations.

4. *Principles of intergovernmental commodity agreements.* Members should undertake to adhere to the following principles governing the institution of intergovernmental commodity agreements:

a. Members having an interest in the production or consumption of any commodity for which an intergovernmental commodity agreement is proposed, should be entitled to participate in the consideration of the proposed agreement.

b. Members should undertake not to enter into intergovernmental commodity agreements involving the limitation of production or exports or the allocation of markets, except after:

- 1) Investigation by the Study Group of the root causes of the problem which gave rise to the proposal;
- 2) Determination, in accordance with procedures approved by the Organization; either:
 - a) that a burdensome surplus of the product concerned has developed or is developing in international trade and is accompanied by widespread distress to small producers accounting for a substantial proportion of the total output and that these conditions cannot be corrected by the normal play of competitive forces because, in the case of the product concerned, a substantial reduction of price leads neither to a significant increase in consumption nor to a significant decrease in production; or
 - b) that widespread unemployment, unrelated to general business conditions, has developed or is developing in respect of the industry concerned and that such unemployment cannot be corrected by the normal play of competitive forces rapidly enough to prevent widespread

and undue hardship to workers because, in the case of the industry concerned, i) a substantial reduction of price does not lead to a significant increase in consumption but leads, instead, to the reduction of employment, and ii) the resulting unemployment cannot be remedied by normal processes of reallocation;

- 3) Formulation and adoption by members of a program of economic adjustment believed to be adequate to insure substantial progress toward solution of the problem within the time limits of the agreement.

c. Intergovernmental agreements involving the limitation of production or exports or the allocation of markets in respect of fabricated products should not be resorted to unless the Organization finds that exceptional circumstances justify such action. Such agreements should be subject to the principles set forth in this Chapter, and, in addition, to any other requirements which the Organization may establish.

5. Operation of commodity agreements. Members should undertake to adhere to the following principles governing the operation of intergovernmental commodity agreements:

a. The agreements should be open to accession by any member on terms not less favorable than those accorded to members parties thereto.

b. The members adhering to such agreements which are largely dependent for consumption on imports of the commodity involved should, in any determinations made relating to the regulation of prices, trade, stocks, or production, have together a voice equal to those largely interested in obtaining export markets for their production.

c. The agreements should, when necessary, contain provisions for assuring the availability of supplies adequate at all times for world consumption requirements at reasonable prices.

d. The agreements should, with due regard to the transitional need for preventing serious economic and social dislocation, make appropriate provision to afford increasing opportunities for satisfying world requirements from sources from which such requirements can be supplied most effectively.

6. Termination and renewal of commodity

agreements. Intergovernmental commodity agreements should not remain initially in effect for more than five years. The renewal of an agreement should be subject to the principles governing new agreements set forth in paragraph 4, above, and to the additional principle that either *a)* substantial progress toward a solution of the underlying problem shall have been accomplished during the initial period of the agreement or that *b)* the renewed agreement is so revised as to be effective for this purpose.

7. Review of commodity agreements. Members should undertake to transmit to the Organization, for review, intergovernmental commodity agreements in which they now participate or in which they propose to participate in the future. Members should also transmit to the Organization appropriate information regarding the formulation, provisions and operation of such agreements.

8. Publicity. Full publicity should be given to any commodity agreement proposed or concluded, to the statements of considerations and objectives advanced by the proposing members, to the operation of the agreements, and to the nature and development of measures adopted to correct the underlying situation which gave rise to the agreement.

9. Exceptions. The provisions of Chapter V are not designed to cover international agreements relating to the protection of public morals; the protection of human, animal or plant life or health; the conservation of reserves of exhaustible natural resources; the control of international monopoly situations; or the equitable distribution of commodities in short supply. However, such agreements should not be used to accomplish results inconsistent with the objectives of Chapter IV or Chapter V. If any such agreement involves the restriction of production or of international trade, it should not be adopted unless authorized or provided for by a multilateral convention subscribed to by a substantial number of nations, or unless operated under the Organization.

CHAPTER VI

Organization

Section A. Functions

The functions of the Organization should include the following:

1. To collect, analyze and publish information,

regarding the operation of Chapter III, relating to general commercial policy, Chapter IV, relating to the prevention of restrictive business practices, and Chapter V, relating to intergovernmental commodity arrangements, or in general regarding international trade and commercial policy.

2. To provide technical assistance to members as may be required or appropriate under the provisions of Chapter III, IV and V.

3. To make recommendations to members regarding the operation of Chapters III, IV and V, including the following:

a. Recommendations regarding the relaxation or removal of trade control measures permitted under Chapter III.

b. Recommendations as to measures for implementing the objectives with regard to restrictive private business practices, set forth in Chapter IV.

c. Recommendations regarding the application to commodity arrangements under consideration by members of the principles governing commodity arrangements set forth in Chapter V; and recommendations initiating proposals for new commodity arrangements, or proposing such modifications, including termination, of commodity arrangements already concluded, as may be deemed appropriate under the commodity principles or in the general interest.

d. Recommendations designed to promote the maximum obtainable consistency in the operation of Chapters III, IV and V and in other arrangements in the fields of general commercial policy, commodity arrangements and private business practices.

4. To interpret the provisions of Chapters III, IV and V, to consult with members regarding disputes growing out of the provisions of those Chapters, and to provide a mechanism for the settlement of such disputes.

5. In accordance with criteria and procedures to be agreed upon, to waive particular obligations of members, in exceptional circumstances.

6. To make recommendations for international agreements designed to improve the bases of trade and to assure just and equitable treatment for the enterprises, skills and capital brought from one country to another, including agreements on the treatment of foreign nationals and enterprises, on the treatment of commercial travelers, on commer-

cial arbitration, and on the avoidance of double taxation.

7. Generally to perform any function appropriate to the purposes of the Organization.

Section B. Organs

The Organization should have as its principal organs: A Conference, an Executive Board, a Commercial Policy Commission, a Commission on Business Practices, a Commodity Commission, and a Secretariat.

Section C. The Conference

The Conference should have final authority to determine the policies of the Organization and to exercise the powers conferred upon the Organization.

1. *Membership.* All states members of the Organization should be members of the Conference.

2. *Voting.* Each member of the Conference should have one vote. Except as may be otherwise specifically provided for, decisions of the Conference should be reached by a simple majority vote. It may be desirable to provide for special voting arrangements with regard to the exercise of certain functions of the Organization.

3. *Sessions.* The Conference should meet at least once a year.

Section D. The Executive Board

The Executive Board should be authorized to take provisional decisions between meetings of the Conference and to exercise such powers as may be delegated to it by the Conference. The Conference should in general be authorized to delegate its powers to the Executive Board.

1. *Membership.* The Executive Board should consist of not more than eighteen member states, each of which should have one representative. Member states of chief economic importance should have permanent seats. The Conference should elect the states to fill the nonpermanent seats for 3-year terms, one-third of the nonpermanent members retiring every year. The number of nonpermanent seats should exceed the number of permanent seats, but the latter should not be fewer than one-third of the total number of seats.

2. *Voting and sessions.* The Executive Board should regulate its own procedure.

Section E. The Commissions

The Commission on Commercial Policy, the Commission on Business Practices and the Commodity Commission should be responsible to the Executive Board. Each Commission should be given as much initiative and independence of action as may be necessary for the effective discharge of its functions.

1. *Membership.* The Commissions should be composed of experts appointed by the Executive Board. The terms and other conditions of office of the members of the Commissions should be determined in accordance with regulations prescribed by the Conference. Such terms and conditions need not be uniform, but may vary from Commission to Commission. Pursuant to the reciprocal arrangements with other specialized international organizations contemplated in Section H, paragraph 2, of this Chapter, provision should be made for appropriate representation on the Commodity Commission of the Food and Agriculture Organization of the United Nations and of other specialized international organizations having an important interest in the commodity operations discussed in Chapter V.

2. *Chairmen.* The Chairmen of the Commissions should be non-voting members of the Executive Board and should be permitted to participate, without vote, in the deliberations of the Conference.

3. *Voting and sessions.* Each Commission should regulate its own procedure, subject to any decisions made by the Executive Board.

4. *Functions.* The functions of the Commissions should include the following:

a. *The Commercial Policy Commission.* The Commercial Policy Commission should:

- 1) Review, and advise the Executive Board regarding, the operation of treaties, agreements, practices and policies affecting international trade.
- 2) Investigate, and advise the Executive Board regarding, the economic aspects of proposals to waive certain obligations of members in accordance with the provisions of paragraph 5, Section A, of this Chapter.
- 3) Investigate, and advise the Executive Board regarding, the economic aspects of proposed customs unions.
- 4) Develop and recommend to the Executive

Board, for adoption by members of the Organization, cooperative projects of a technical nature in the field of commercial policy (e.g. standard bases and methods of determining dutiable value, uniform customs nomenclature, and standardization of statistical methods and nomenclature in foreign trade statistics).

- 5) Develop and recommend to the Executive Board additional programs designed to further the objectives of the Organization in the general field of commercial policy.

b. *The Commission on Business Practices.* The Commission on Business Practices should:

- 1) Inquire into activities on the part of private commercial enterprises which have the effect or purpose of restraining international trade, restricting access to international markets, or of fostering monopolistic controls in international trade.
- 2) Advise the Executive Board with regard to the recommendations which should be made to members in respect of business divestitures, reorganizations, dissolutions or other remedial actions.
- 3) Conduct investigations and make recommendations to the Executive Board looking to the promotion and adoption in all countries of codes of fair business practices designed to facilitate and enlarge the flow of international trade.
- 4) Advise the Executive Board as to the types of information which members should file with the Organization.
- 5) Facilitate appropriate intergovernmental arrangements for the international exchange of technological information, on a nondiscriminatory basis.

c. *The Commodity Commission.* The Commodity Commission should:

- 1) Investigate commodity problems, including the problem of an international buffer stocks organization or other arrangements which are proposed as a means of promoting solutions to commodity problems.
- 2) Make recommendations to the Executive Board on appropriate courses of action, including recommendations for the establishment of Study Groups for particu-

lar commodities. Such Study Groups should be established by the Executive Board, upon the recommendations of the Commodity Commission, for the purpose of investigating problems with respect to particular commodities. The Study Groups should be composed of representatives of member governments invited to participate by the Executive Board and one or more representatives designated by the Commodity Commission.

- 3) Make recommendations to the Executive Board as to whether or not a particular commodity is in world surplus.
- 4) Make recommendations to the Executive Board as to whether an application made by a member for the convening of an intergovernmental conference should be granted.
- 5) Designate members of the Commission to participate in an advisory capacity in the formulation of intergovernmental commodity agreements.
- 6) Make recommendations to the Executive Board regarding the application of the commodity agreements under consideration by members.
- 7) Designate the Chairman and Secretary for any Commodity Council established to administer an intergovernmental commodity agreement.
- 8) Maintain continuous review of the conduct of the operations of intergovernmental commodity agreements in the light of the terms of the agreements, the commodity principles in Chapter V, and the general welfare; and make recommendations to the Executive Board with regard thereto.

Section F. Industrial and Mineral Unit

The Conference should create an Industrial and Mineral Unit responsible to the Executive Board. The Industrial and Mineral Unit should promote by technical assistance and other appropriate means the expansion of production and trade with regard to fabricated products and with regard to minerals and other primary commodities in respect of which such promotional activities are not under the jurisdiction of the Food and Agriculture Organization.

Section G. The Secretariat

The Secretariat, which should be divided into three or more offices, should serve all the organs of the Organization and the Commodity Councils established to administer specific commodity arrangements. It should be headed by a Director-General. Under his authority there should be three or more Deputy Directors-General each of whom should be in charge of an office. The Director-General, and on the advice of the Director-General, the Deputy Directors-General, should be appointed by the Conference upon the nomination of the Executive Board. The Director-General should be the chief administrative officer of the Organization and should be an *ex officio* member, without vote, of the Executive Board. Three Deputy Directors-General should be *ex officio* members of the three Commissions. The Director-General and the Deputy Directors-General should have the authority to initiate proposals for the consideration of any organ of the Organization.

Section H. Relations with Other Organizations

1. *Relations with the United Nations Organization.* The Organization should be brought into relationship with the United Nations Organization on terms to be determined by agreement between the Executive Board and the appropriate authorities of the United Nations Organization, subject to approval by the Conference.

2. *Relations with other specialized international organizations.* In order to provide for close cooperation between the Organization and other specialized international organizations with related responsibilities, the Executive Board, subject to the approval of the Conference, should be authorized to enter into agreements with the appropriate authorities of such organizations defining the distribution of responsibilities and methods of cooperation.

3. *Administrative arrangements.* The Director-General should be authorized, subject to the authority of the Conference or of the Executive Board, to enter into agreements with other international organizations for the maintenance of common services, for common arrangements in regard to recruitment, training, conditions of service, and other related matters, and for interchanges of staff.

America's Policy in China

STATEMENT BY THE SECRETARY OF STATE¹

[Released to the press December 7]

During the war the immediate goal of the United States in China was to promote a military union of the several political factions in order to bring their combined power to bear upon our common enemy, Japan. Our longer range goal, then as now, and a goal of at least equal importance, is the development of a strong, united, and democratic China.

To achieve this longer range goal, it is essential that the central Government of China as well as the various dissident elements approach the settlement of their differences with a genuine willingness to compromise. We believe, as we have long believed and consistently demonstrated, that the government of Generalissimo Chiang Kai-shek affords the most satisfactory base for a developing democracy. But we also believe that it must be broadened to include the representatives of those large and well-organized groups who are now without any voice in the Government of China.

This problem is not an easy one. It requires tact and discretion, patience and restraint. It will not be solved by slogans. Its solution depends primarily upon the good-will of the Chinese leaders themselves. To the extent that our influence is a factor, success will depend upon our capacity to exercise that influence in the light of shifting conditions in such a way as to encourage concessions by the central Government, by the so-called "Communists", and by the other factions.

If I understand correctly what Ambassador Hurley has stated to me and subsequently to the press and to this committee, he entertains no disagreement with this conception of our policy. Moreover, he has indicated to me and to this committee that he has been unfailingly supported by two Presidents and three Secretaries of State in his efforts to execute this policy.

He does object, however, to what he asserts has been a failure or refusal to make this policy public.

I wish to make it clear now, because of its bearing upon this point and upon other matters which I shall come to in a moment, that I am not familiar with every speech and press release and letter of my immediate predecessors as Secretary of State, nor with every incident that has occurred in recent years among officers of the State Department in China or elsewhere. I have not had the opportunity to examine these records, nor am I likely to have it in the near future.

Nevertheless, I submit that the broad outlines of our policy in China have never been hidden or difficult to recognize. The phase of that policy upon which Ambassador Hurley has placed the greatest emphasis is our support of the national government of Generalissimo Chiang Kai-shek.

Of all the phases of our policy in the Far East, this seems to have been the clearest and most obvious. We formally recognize only the national Government. Our Ambassador is an Ambassador to the national Government. Our war supplies and financial assistance have been delivered only to the national Government. At the Cairo Conference it was Generalissimo Chiang Kai-shek who represented China. At San Francisco it was the Foreign Minister of the national Government who signed the Charter of the United Nations. It was the national Government which ratified the Charter. It is the Foreign Minister of the national Government who sits in the Council of Foreign Ministers.

In recent weeks, the necessary presence of our troops in China has been a source of understandable concern to the American people. As a result, the subject has been raised frequently at my meetings with the press. I have made it very clear that our troops are in China for the sole purpose of facilitating the surrender of large numbers of Japanese troops to the armies of the national Government in compliance with the order of the Supreme Allied Commander.

These are a few among many public evidences of our recognition of the government of Chiang Kai-shek as the legitimate Government of China. In the face of them, and in the light of the ad-

¹ Made on Dec. 7, 1945 before the Senate Committee on Foreign Relations answering charges made by Patrick J. Hurley, former American Ambassador to China, criticizing the Department of State and the Foreign Service. See also BULLETIN of Dec. 2, 1945, p. 882.

mittedly consistent support of this policy by Presidents Roosevelt and Truman and Secretaries Hull, Stettinius, and myself, it is difficult to understand Ambassador Hurley's intimation that his failure to achieve a satisfactory settlement of China's internal division resulted from the absence of a public expression of our policy.

General Hurley's statements before this committee require me to add a few words concerning what he has indicated to be a refusal by me and by the President to grant his request for such a public statement. The pressure of time has been so great that I am unable to make a categorical statement at the moment, but I can tell you that I have not been informed of any written document in the possession of the Department of State in which the Ambassador has made such a request.

I can state categorically that he has never made such a request in conversation with me. Moreover, I was present at one of the two conversations he has had with the President since his return in September. I did not hear him make such a request at that time. Since the Ambassador's testimony here, I have asked the President whether, in his recollection, Ambassador Hurley has ever requested him, orally or in writing, to issue a public statement of our policy in China. He does not recall such a request.

My recent letter to Representative Anderson of California, to which Ambassador Hurley has referred with approval, was in response to a letter of inquiry from the Congressman. When a Member of Congress requests an explanation of some aspect of our foreign policy, I take it as a matter of course that the request should be answered. But in the absence of such specific inquiries I have thought it necessary to give public expression to our foreign policy only as occasion may demand.

As I have indicated, it is not my intention to attempt to interpret and explain every event of large or small importance in the administration of our foreign policy in China and other parts of the world in recent years.

I feel, however, that in fairness to the loyal, intelligent, and hard-working men of our Foreign Service, and in fairness to the employees of the Department of State generally, I am compelled to discuss briefly certain charges which Ambassador Hurley has made.

The Foreign Service officers are non-political government employees, selected through competi-

tive examinations. They have long labored earnestly and with too little public recognition to uphold abroad our national interests. My own experience with them has given me a high regard for their ability, integrity, and loyalty.

I do not know George Atcheson or John Service. But, because of the special criticism to which they have been subjected by the Ambassador, I have obtained and read Mr. Atcheson's telegram of February 28, 1945 and Mr. Service's memorandum of October 10, 1944. These are the documents upon which the Ambassador appears to rely most strongly for support of his charge that these two officers sought to prevent the accomplishment of the objectives of United States policy in China.

The propriety of Mr. Atcheson's telegram can be determined only against the background of the events in China which preceded it. Like Ambassador Gauss before him, Ambassador Hurley had been making strenuous efforts to achieve unity not only between the central Government and the so-called "Communists" but between the central Government and the other dissident elements in China as well. At the time Ambassador Hurley left Chungking for a visit to Washington on February 19, 1945, I am advised that the negotiations between the central Government and the Communists appeared to have broken down.

When Ambassador Hurley departed from the Embassy at Chungking, Mr. Atcheson, as Counselor, automatically assumed charge of the Embassy's affairs. On February 28, nine days after the Ambassador's departure from Chungking and three days before his arrival in Washington, according to the records of the Department, Mr. Atcheson sent his telegram. It contained a broad and thoughtful analysis of the situation in China as it appeared to him in the light of the shifting circumstances of the moment. It concluded with the recommendation that these shifting circumstances required a readjustment of our immediate strategy.

In his telegram, Mr. Atcheson distinctly stated that "a favorable opportunity for discussion of this subject should be given by the presence of General Wedemeyer as well as General Hurley in Washington."

The officer in charge of an American mission in a foreign country bears the responsibility for full and accurate reporting of the factors and events which are necessary to the intelligent formula-

tion and execution of United States foreign policy. He is further responsible for the submission from time to time of recommendations with respect to this policy. If his reports and recommendations are to be useful, it is clear that they must reflect his free and honest judgment.

In the case of an Ambassador, these considerations have always been taken for granted. They have been taken equally for granted in the case of the officer who assumes charge during the absence of the Ambassador from the Embassy. Since September, for example, we have relied upon the reports of the ranking official of the Embassy in China.

It is difficult to understand how Mr. Atcheson failed in any way to observe the letter or the spirit of these rules and traditions. His telegram of February 28 was a full and free report of the current situation in China as he saw it. His recommendation was an honest effort to assist the Department of State in the formulation of its future policy in China. There is nothing to indicate that he sought to circumvent his superior in making this report and recommendation. On the contrary the telegram expressly suggested that this was a matter upon which the views of Ambassador Hurley should be sought by the Department in Washington.

The specific action of John Service to which Ambassador Hurley referred in his conversation with me was the preparation of a memorandum on October 10, 1944. I have also read this memorandum with care.

Before I turn to its contents, I wish to call attention to a few facts, as they have been presented to me. At the time this memorandum was prepared by Mr. Service, he was not attached to the Embassy at Chungking. Although he retained his status as a Foreign Service officer, he was attached to the staff of General Stilwell as a political observer in Yenan. He was at the time administratively responsible to General Stilwell and not to the Embassy.

Ambassador Hurley, as of that date, was in China as the personal representative of the President with the rank of Ambassador. But he was not the United States Ambassador to China. He was not in charge of the United States Embassy in Chungking.

Under these circumstances, it cannot be said that anything Mr. Service wrote constituted insubordination to Ambassador Hurley.

The memorandum itself embodied recommendations for a basic change in United States policy toward the central Government of China. It was written in forceful language and the conclusions which it drew were rather drastic.

It was addressed to General Stilwell. It was also routed to the Embassy in Chungking. The Embassy forwarded it to the Department without endorsing its conclusions, but with a non-committal covering memorandum indicating that it represented the views of a single political observer.

When the memorandum reached the Department of State it was sent to the Division of Chinese Affairs. Before it was circulated further, the Division of Chinese Affairs attached another covering memorandum stating decisively that, although its contents were informative, many of its conclusions, which were specifically enumerated, were regarded as incorrect.

It is not my purpose to dwell at greater length upon the two documents. In my opinion, based upon the information which has thus far been presented to me, there is nothing in them to support the charge that either Mr. Atcheson or Mr. Service was guilty of the slightest disloyalty to his superior officers.

What it amounts to is that within proper channels they expressed to those under whom they served certain views which differed to a greater or less degree from the policies of the Government as then defined. Of course, it is the duty of every officer of the United States to abide by and to administer the declared policy of his Government. But conditions change, and often change quickly, in the affairs of governments. Whenever an official honestly believes that changed conditions require it, he should not hesitate to express his views to his superior officers.

The other complaint of Ambassador Hurley is that some official or employee did not merely express a different view to his superior officer, but advised someone associated with the Communist forces that the Ambassador did not accurately represent United States policy. For such action there would be no excuse. I would be the first to condemn it and to dismiss the person guilty of it. But Ambassador Hurley has not furnished me, nor do I understand that he has furnished this committee, any specific evidence to prove that any employee was guilty of such conduct. Men who have rendered loyal service to the Government cannot be dismissed and their reputations ought

not to be destroyed on the basis of suspicions entertained by any individual. I should be profoundly unhappy to learn that any officer of the Department of State, within or without the Foreign Service, might feel bound to refrain from submitting through proper channels an honest re-

port or recommendation for fear of offending me or anyone else in the Department. If that day should arrive, I will have lost the very essence of the assistance and guidance I require for the successful discharge of the heavy responsibilities of my office.

EXCHANGE OF LETTERS BETWEEN CONGRESSMAN ANDERSON AND THE SECRETARY OF STATE

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES

WASHINGTON, D. C., *November 17, 1945.*

DEAR MR. SECRETARY:

Numerous inquiries have come into my office about the policy of the United States in China.

This is a question in which I am intensely interested and would appreciate having your comments on the subject.

Thanking you for clarifying this matter for me and with best wishes, I am

Sincerely yours,

JACK ANDERSON

DEPARTMENT OF STATE,
Washington, November 30, 1945.

MY DEAR MR. ANDERSON:

I have received your letter of November 17, 1945, requesting information in regard to our policy towards China.

In response to your inquiry, I should like to offer the following brief comment on this subject:

We favor the creation of a strong, united and democratic China which will contribute to peace and stability in the Far East and which will enable China effectively to support the United Nations organization.

In line with this policy, we deem it desirable and essential that China solve her internal problems. While we recognize that this is a task which China must carry out largely through her own efforts, we seek by all appropriate and practicable means to pursue such policies and action as will best facilitate China's achievement of internal unity and stability.

Among the means toward this end, we propose, with due regard for the realities of the internal situation in China, to assist China to rehabilitate

her devastated economy and to develop a higher standard of living for her masses.

We seek to enhance China's international status, as evidenced by the recognition accorded to China in connection with the San Francisco Conference. We feel that collaboration among China, the United States, Great Britain and the Soviet Union is essential to the maintenance of peace and security in the Far East, and that such collaboration among these and other peace-loving nations should extend to all legitimate fields of economic and other endeavor on the basis of equality of opportunity and respect for national sovereignty. We hope that China, for her part, will further such collaboration by instituting and carrying out reasonable policies in the great tasks of unification and reconstruction that lie before her.

During the course of the war it was our policy to assist our Chinese allies to the greatest possible extent in the joint prosecution of hostilities against Japan. Such assistance took the form of credits, the grant of civilian and military lend-lease supplies, the training and equipping of a limited number of Chinese military units, the utilization in China of our air forces, and other related activities. Since the capitulation of Japan we have been assisting our Chinese allies in effecting the surrender, disarmament and repatriation of the very substantial Japanese armed forces who are now in China.

I trust that the foregoing brief comment will indicate to you the broad lines of our policy with respect to China and will enable you to reply to inquiries which you may have received from your constituents.

Thank you for your courtesy in writing.

Sincerely yours,

JAMES F. BYRNES

Signing of the Bretton Woods Agreements

Arrangements are being made for the signing of the Bretton Woods agreements on December 27, 1945 on behalf of the United States and of such other countries signatory to the Final Act of the United Nations Monetary and Financial Conference as are prepared to sign the Fund and Bank agreements on that date.

The Bretton Woods agreements, namely, the Articles of Agreement of the International Monetary Fund and the Articles of Agreement of the International Bank for Reconstruction and Development, which are annexed to the Final Act of the United Nations Monetary and Financial Conference held at Bretton Woods in July 1944, can be brought into force by as few as 4 of the 44 countries which signed the Final Act. In accordance with the provisions of those agreements they can enter into force if signature and compliance with certain other requirements are made on behalf of governments having 65 percent of the total of the quotas or subscriptions set forth in Schedule A of each agreement. The total of the quotas indicated for the United States, the United Kingdom, the Union of Soviet Socialist Republics, and China in Schedule A of the Fund agreement and the total of the subscriptions indicated for those four countries in Schedule A of the Bank agreement comprise slightly more than 65 percent of the total quotas to the Fund and total subscriptions to the Bank and would thus be sufficient to bring both of the agreements into force, provided all other requirements therefor pertaining to those countries are fulfilled by them.

Participation by the United States in the Fund and Bank is authorized by the Bretton Woods Agreements Act approved July 31, 1945 (Public Law 171, 79th Cong.). China has indicated its readiness to sign. Several references to the Articles of Agreement of the International Monetary Fund in the financial agreement between the United States and the United Kingdom signed at Washington on December 6, 1945 indicate that action on the part of the United Kingdom looking

toward signature of the Fund and Bank agreements may be expected in the very near future.

Reports with respect to action taken or being considered by a number of the other countries are encouraging. Those reports indicate, for example, that Belgium, Canada, Cuba, Guatemala, and the Netherlands are preparing to participate; that the Philippine Commonwealth has passed a Bretton Woods Agreements Act which was approved by President Truman on November 20, 1945 and will become effective when proclaimed by President Osmeña; and that legislation providing for participation in the Fund and Bank has been passed by the Venezuelan Chamber of Deputies but still requires signature by the President of Venezuela and publication in the *Gaceta Oficial*. Ethiopia has given official notification of its readiness to sign the agreements.

Soviet Reply to American Proposal for Withdrawal of Troops From Iran

[Released to the press December 8]

Translation of note addressed by the People's Commissar for Foreign Affairs of the Union of Soviet Socialist Republics to the Embassy of the United States at Moscow on November 29, 1945, referring to the Embassy's note of November 24.

The statement made in that communication concerning the armed uprising in northern Iran does not, according to information at the disposal of the Soviet Government, correspond to reality. The events which have taken place in recent days in Iran not only do not constitute an armed uprising but also are not directed against the Shahkin Shakh Government of Iran. Now that the declaration of the Popular Assembly of Northern Iran has been published, it is evident that this is a matter of aspirations with respect to the assurance of the democratic rights of Azerbaijanian population of northern Iran which is seeking national autonomy within the limits of the Iranian state and which has its own particular language, different from the Persian language.

It is also apparent from the contents of the above-mentioned declaration of the Popular Assembly which took place in Tabriz November 20 to 21 that the Popular Assembly addressed the expression of its wishes to the Shah, the Majlis, and the Government of Iran, basing itself in this on the Iranian Constitution. The undesirable incidents which have taken place in conjunction with these recent events at various points of northern Iran have been caused by reactionary elements which have opposed the extension of national rights to the populations of northern Iran, although there is nothing in these desires of the local population which is unusual for a democratic state.

As far as the Soviet military command is concerned it has not hindered, and is not hindering, the movements of the Iranian military forces and the gendarme police units which are in the districts of northern Iran. According to information at the disposal of the Soviet Government there are in these districts of Iran one infantry regiment, two infantry brigades, two regiments of gendarme police units, the presence of which can assure order and calm in these parts. The Soviet Government opposed the dispatch of new Iranian troops to northern districts of Iran and informed the Iranian Government that the dispatch of further Iranian forces to northern Iran could cause not the cessation but the increase of the disorders and likewise bloodshed, which would compel the Soviet Government to introduce into Iran further forces of its own for the purpose of preserving order and of assuring the security of Soviet garrison. In as much as the Soviet Government considers the further introduction of Soviet forces into Iran undesirable, it took the position that the introduction of new Iranian forces into the northern province of Iran at the present time would serve no useful purpose.

As to the reference in the communication of the Government of the United States to the Three Power declaration concerning Iran December 1, 1943, the Soviet Government as far as it is concerned must state that it adheres unwaveringly to the principles of that declaration. The declaration in question, however, does not affect questions of the number of Soviet armed forces on Iranian territory just as it does not affect the question of the period of the stationing of Soviet troops in Iran. This latter is determined by another docu-

ment, namely the Anglo-Soviet-Iranian Tripartite Treaty of 1942, and in connection with the stationing of its troops in Iran notwithstanding the fact that the right of introduction of Soviet troops into the territory of Iran was envisaged by the Soviet-Iranian treaty of February 26, 1941. Furthermore, as the Government of the United States is aware, the question of the time for the removal of Soviet and British troops from Iran was subject of consideration at the Council of Foreign Ministers in London as little as two months ago and was decided by exchange of letters between the Soviet and British representatives which was brought to the attention of the above-mentioned Council of Ministers and which did not find objection in any quarters. In connection with the above it should also be noted that the British Government, in its note on the Iranian question, received by the Soviet Government on November 25, does not raise the question of the removal of Soviet troops from Iran.

On the strength of the consideration set forth above with relation to Soviet troops, the Government of the Union of Soviet Socialist Republics does not see grounds for renewed consideration of the question of the time limit for the removal of these forces from Iran.

Foreign Secretaries To Meet in Moscow

[Released to the press December 7]

A meeting of the Foreign Secretaries of Great Britain, the Soviet Union, and the United States has been arranged to take place in Moscow December 15, 1945. This meeting has been called in accordance with the decision taken at the Yalta conference providing for quarterly conferences of the three Foreign Secretaries.

The meeting will provide an opportunity to the British, American, and Soviet Governments for informal and exploratory discussions on a number of matters of current concern to the three countries and also for an exchange of views on the subject of the control of atomic energy.

Agreement on Economic Relations, U.S. and Italy

[Released to the press December 6]

An agreement outlining the principles which will guide the Governments of the United States and Italy in the effort to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations was concluded on December 6 by an exchange of notes between the Secretary of State and the Italian Ambassador, Alberto Tarchiani.

In the notes the two Governments indicate their willingness to cooperate in formulating a program of agreed action, open to participation by all other nations of like mind. The aim of such a program would be to provide for appropriate national and international measures to expand production, employment, and the exchange and consumption of goods; to eliminate all forms of discriminatory treatment in international commerce; to reduce tariffs and other trade barriers; and, generally, to attain the economic objectives of the Atlantic Charter. The exchange of notes provides for the early commencement of conversations between the two Governments with a view to determining the best means for attaining this aim.

The texts of the notes exchanged are as follows:

DEPARTMENT OF STATE
Washington, December 6, 1945.

EXCELLENCY:

I have the honor to make the following statement of my understanding of the agreement reached in recent conversations which have taken place between representatives of the Government of the United States of America and the Government of Italy with regard to the resumption of normal commercial relations between our two countries.

These conversations have disclosed a desire on the part of the two Governments to promote reciprocally advantageous economic relations between them and the improvement of world-wide economic relations. To that end the Governments of the United States of America and of Italy propose to cooperate in formulating a program of agreed action, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of pro-

duction, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At the earliest practicable date conversations shall be begun between our two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives.

Accept [etc.]

JAMES F. BYRNES

ITALIAN EMBASSY
Washington, December 6, 1945.

SIR:

I have the honor to refer to your note of December 6 setting forth your understanding of the agreement reached in recent conversations which have taken place between representatives of the Government of Italy and the Government of the United States with regard to the resumption of normal commercial relations between our two countries.

These conversations have disclosed a desire on the part of the two Governments to promote reciprocally advantageous economic relations between them and the improvement of world-wide economic relations. To that end the Governments of Italy and of the United States of America propose to cooperate in formulating a program of agreed action, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all people; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers;

(Continued on next page)

Plan for Transfer of German Populations

[Released to the press December 8]

At its twelfth meeting held in Berlin on November 20, 1945, the Allied Control Council for Germany, pursuant to the agreement reached at the Potsdam conference set forth in section XIII of the communiqué of August 2, 1945,¹ approved a plan for the transfer of the German population to be moved from Austria, Czechoslovakia, Hungary, and Poland into the four occupied zones of Germany. The plan outlines the tentative allocation between zones of occupation and a schedule of movement of the German population.

Of the entire German population to be moved from Poland (3,500,000 persons), 2,000,000 will be admitted into the Soviet zone of occupation and 1,500,000 into the British zone; of the Germans to be moved from Czechoslovakia (2,500,000 persons), 1,750,000 will be admitted into the American zone and 750,000 into the Soviet zone; 500,000 Germans from Hungary will be admitted into the American zone and 150,000 Germans from Austria into the French zone. Execution of the plan began this month and is to be completed by August 1, 1946.

It is the purpose of the Allied Control Council to do what it can to see that the transfers are effected in an orderly and humane manner in accordance with the Potsdam agreement. Many Germans have already migrated into Germany from Poland and from territory now under Polish administration, often under conditions which made very difficult the orderly settlement of the persons involved. The present decision of the Allied Control Council should greatly alleviate those difficul-

ties. Before the Potsdam conference the Czechoslovak Government had determined to transfer a substantial part of the German minority in Czechoslovakia to Germany. The decisions of the Potsdam conference and of the Allied Control Council should help to insure that these transfers will be carried out as humanely as possible.

The Czechoslovak Government has indicated its desire to arrange also for the removal to Hungary of the greater part of its Hungarian-speaking minority in exchange for the Slovak-speaking minority in Hungary. The Hungarian Government on several occasions has stated its objection to such a plan and has protested against measures taken in Czechoslovakia affecting the Hungarian minority there. The armistice agreement between the Union of Soviet Socialist Republics, the United Kingdom, and the United States on the one hand and Hungary on the other provided for the evacuation of all Hungarian troops and officials from the territory of Czechoslovakia. This provision has been carried out. No decision was made, however, either in connection with the armistice or at Potsdam, concerning the transfer of Hungarian-speaking persons who have been permanent residents of Czechoslovakia. We have observed with satisfaction that the Czechoslovak and Hungarian Governments contemplate direct conversations on this subject, and it is hoped that they reach a mutually satisfactory settlement.

It is this Government's view that problems involving the large-scale transfer or exchange of populations are susceptible of solution only on the basis of international agreement and not by unilateral action. Where such problems affect Hungary, we would regard them as proper subjects, in the first instance, for mutual agreement between Hungary and the neighboring states directly concerned and, ultimately, for consideration or review in connection with the peace settlement with Hungary. This Government will use its influence to seek solutions which promise to contribute to friendly and cooperative relations between the nations immediately concerned and to assure freedom from persecution and from unnecessary hardships for the ordinary men and women involved.

ITALY—Continued

and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941 by the President of the United States of America and the Prime Minister of the United Kingdom.

At the earliest practicable date conversations shall be begun between our two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives.

In informing you that the Italian Government is in agreement with the contents of the above Note, I beg you to accept [etc.]

ALBERTO TARCHIANI

¹ BULLETIN of Aug. 5, 1945, p. 160.

Preparatory Commission of the United Nations

FIRST BUSINESS MEETING OF PREPARATORY COMMISSION

[Released to the press by the Preparatory Commission of the United Nations November 26]

The Preparatory Commission of the United Nations, which was formally opened on November 24, held its first business meeting at Church House, Westminster, on November 26. After adopting an agenda and rules of procedure the Commission proceeded to elect its chairman and two vice chairmen. Eduardo Zuleta Angel (Colombia) was elected chairman. Dmitry Z. Manuilsky (Ukrainian S.S.R.) and Paul Henri Spaak (Belgium) were elected vice chairmen. The election of the chairman was proposed by Dr. Pelt (Netherlands) and seconded by the delegates of Czechoslovakia (I. Kerno) and Chile (M. Bianchi). The election of Dr. Manuilsky was proposed by the U.S. Delegate (A. Stevenson) and seconded by the U.K. Delegate (P. J. Noel-Baker) and H. Strasburger (Poland). The election of Mr. Spaak was proposed by the Chinese Delegate (Wellington Koo).

Presenting the final report containing the recommendations and proposals of the Executive Committee to the Preparatory Commission, Mr. Freitas-Valle (Brazil), chairman of the Executive Committee, said that with arduous work it was possible to complete the work of the Executive Committee in a time considerably shorter than had been expected. The 14 members of the Executive Committee acted as trustees for the interests of the 51 members of the United Nations and not only as representatives of their individual countries. Mr. Freitas-Valle pointed out that the Preparatory Commission was completely free in its decisions. Each state represented on it would be in a position to express its dissent from any of the proposals made.

The Executive Committee has agreed unanimously on about 90 percent of its recommendations, Mr. Freitas-Valle said, and the hope may therefore be expressed that the Preparatory Commission may find it possible to agree quickly on part of the work done by the Executive Committee. Some of the members of the Preparatory Commis-

sion might perhaps be surprised at the great measure of agreement which had been reached in the Executive Committee.

Mr. Freitas-Valle believed that the harmony of the Executive Committee had not always been faithfully reflected in the press all over the world. As a result the impression might have been created in some parts of the world that the Executive Committee had quarreled a good deal, whereas in fact it was a very happy family.

Mr. Freitas-Valle then said that he did not claim that the Charter of the United Nations could not be criticized. Some of its dispositions have been accepted only with reluctance. Now, however, the pledge given in the Charter should be honored to its full extent.

Recommendations of the Executive Committee for the organization of the work of the Commission were unanimously approved. They include the establishment of eight technical committees which will give detailed consideration to different sections of the Executive Committee's report.

These technical committees will be as follows:

- Committee 1: General Assembly
- Committee 2: Security Council
- Committee 3: Economic and Social Council, and Relations With Specialized Agencies
- Committee 4: Trusteeship
- Committee 5: Legal
- Committee 6: Administrative and Budgetary
- Committee 7: League of Nations
- Committee 8: General Questions

The Preparatory Commission also approved the proposal that the 14 nations of the Executive Committee, with the addition of the chairman and two vice chairmen elected this morning, should comprise the Steering Committee of the Commission.

The Steering Committee held its first meeting this afternoon and speedily got down to the task of organizing the program of work for the eight technical committees.

It was agreed that these committees should each hold a formal meeting tomorrow lasting half an hour to elect their officers.

Beginning November 28 the committees will

start their working meetings, and three groups of two will meet daily beginning at 10:30, 2:30, and 5.

Each delegation has the right to be represented on each technical committee, and the Steering Committee has borne in mind the difficulties of the smaller delegations in trying to arrange that committees are paired so as to avoid overlapping.

TECHNICAL COMMITTEES

Election of Officers

[Released to the press by the Preparatory Commission of the United Nations November 27]

The eight technical committees of the Preparatory Commission met on November 27 to elect their officers. The committees with their chairmen and vice chairmen are listed below.

COMMITTEE 1. THE GENERAL ASSEMBLY

Chairman: Erik Colban (Norway), Norwegian Ambassador in London

Vice chairman: Manuel Pérez Guerrero (Venezuela)

COMMITTEE 2. SECURITY COUNCIL

Chairman: Zygmunt Modzelewski (Poland), Under Secretary in the Polish Ministry of Foreign Affairs

Vice chairman: G. Heaton Nicholls (Union of South Africa), High Commissioner for the Union of South Africa in London

COMMITTEE 3. ECONOMIC AND SOCIAL COUNCIL AND RELATIONS WITH SPECIALIZED AGENCIES

Chairman: Dewan Bahadur Sir Ramaswami Mudaliar, K. C. S. I. (India), Supply Member of the Governor General's Executive Council

Vice chairman: Frantz Hvass (Denmark), Permanent Under Secretary of State, Danish Ministry of Foreign Affairs

N. B.: William Borberg, substitute delegate, will act as alternate vice chairman in the absence of Mr. Hvass, who may have to leave for Copenhagen in a few days' time.

COMMITTEE 4. TRUSTEESHIP

Chairman: Guillermo Belt (Cuba), Cuban Ambassador in Washington

Vice chairman: K. Kiselev (Byelorussian S.S.R.), People's Commissar for Foreign Affairs of Byelorussia

COMMITTEE 5. LEGAL

Chairman: Abdel Hamid Badawi Pasha (Egypt), Minister of Foreign Affairs

Vice chairman: Ricardo Rivera Schreiber, K.B.E. (Peru), Peruvian Ambassador in Madrid

COMMITTEE 6. ADMINISTRATIVE AND BUDGETARY

Chairman: Thanassis Aghnides (Greece), Greek Ambassador in London

Vice chairman: R. N. Campbell (New Zealand), Acting High Commissioner in London

COMMITTEE 7. LEAGUE OF NATIONS

Chairman: Najeeb al Armanazi (Syria), Syrian Minister in London

Vice chairman: Cevad Acikalin (Turkey), Turkish Ambassador in London

COMMITTEE 8. GENERAL QUESTIONS

Chairman: R. E. MacEachen (Uruguay), Uruguayan Ambassador in London

Vice chairman: Blatta Ephrem Tewelde Medhen (Ethiopia), Ethiopian Minister in Washington

First Meeting

[Released to the press by the Preparatory Commission of the United Nations November 28]

Committee work started on November 28 at Church House, Westminster. Of the eight technical committees set up by the Preparatory Commission, two met in the morning, two in the afternoon, and two in the evening. Each of the 51 United Nations is represented on these committees, whose main task it is to consider the recommendations and proposals which have been submitted by the Executive Committee. It is hoped that the committees will be able to complete their report to the Preparatory Commission by December 10.

UNO Headquarters

Committee 8 (General Questions) dealt with questions relating to the location of the permanent headquarters of the United Nations. The chairman, R. E. MacEachen (Uruguay), drew attention to the fact that a number of delegates from abroad had come to London to present invitations to the United Nations on behalf of their cities. Dr. MacEachen suggested that these delegations should be given a hearing and that for this purpose a subcommittee, comprising representatives of all continents, should be set up. Meanwhile, however, the full Committee should discuss the requirements needed in general for the United Nations headquarters. In response to a number of questions Dr. MacEachen made it clear that the subcommittee would be charged only with collecting evidence from the delegations that are now in London or from any other delegations that may be coming. It would then draw up a report.

The Record of the Week

Friendship in American-Levant Relations

Remarks by GEORGE WADSWORTH¹

[Released to the press December 3]

I particularly welcome this opportunity to meet again and talk informally with you who are, in a very important sense, leading representatives in my country of the two countries to which I am accredited. It was three years ago last October that I first met with you at the "Jenainet esh-Sham" on the eve of my departure for Beirut and Damascus.

You will recall that I then bore letters from President Roosevelt accrediting me as Diplomatic Agent to Syria and Lebanon. I know that we share keenest satisfaction that meanwhile that rank has been raised to Minister.

The earlier rank was clearly indicative of my Government's policy in 1942. In my letters of credence the President said that the appointment of a first diplomatic representative to Syria, and Lebanon, was a manifestation of sympathy with the aspirations of their peoples for full independence, then "circumscribed by limitations necessitated by conditions of war".

Two years later, when presenting new letters of credence, Mr. Hull authorized me to say that, by the appointment of a Minister, the United States accorded unconditional recognition of the full independence of the two countries.

During those two years they had held parliamentary elections and reestablished their constitutional regimes. The resulting constitutional governments assumed full responsibility for administration of the affairs of state and formally recognized the international commitments of the predecessor regime. In so doing they met what to my Government were the two basic criteria for recognition of full independence.

The ensuing year saw much sound progress to-

ward consolidating that independence, crowned in the field of external relations by full membership in the United Nations Organization. And during that period the policy of my Government became, and still is, to extend to Syria and Lebanon friendly political, cultural, and economic support to assist them in realizing that program.

Throughout these troubled, war-torn three years American-Levant relations have been characterized by mutual friendship and good-will. It is the hope today of your Governments and of my own that on that foundation broader relations can be built.

Happy auguries of success are not wanting: for example, the opening last month of an American secondary school in Damascus and the vote of last week whereby the Lebanese Parliament approved the granting to two American oil companies of permits to construct and operate oil refineries at Tripoli in Lebanon.

So much for policy and American-Levant relations. Let me end on a more personal note.

You know that my novitiate in the Near East was a three-year instructorship in the American University of Beirut. That was during the first World War. Many an evening, as many of you have done before and since, I took my sunset "shimel-hawa" along the beautiful campus walk looking out across the bay to Mount Lebanon.

It is said of those who once drink of the water of the Nile that they will joyfully return. The same, I believe, may well be said of those who have drunk of the beauties of Mount Lebanon and of the waters of Pharthar and Abana.

My own return has in all truth been joyful. I have often walked again at sunset on the campus. And, best of all, I have seen some of my youth's dreams realized and even on occasion ventured to dream new dreams of how one might perhaps contribute in some measure to further strengthening the ties which bind our countries.

¹ Made at a dinner in honor of Mr. Wadsworth, American Minister to Syria and Lebanon, by the Syro-Lebanese Club "Salaam" in New York, N. Y., Dec. 3, 1945.

I trust that many of you too may be able so to return and that we may find political, cultural, or economic reason for evening "shimel-hawa" together in Beirut or Damascus. Few countries have suffered less from the tragedy of this second World War. None have made so great political progress despite it. With continuing serious effort—and without that little permanent is achieved by men or governments—the future, I firmly believe, is bright indeed.

I thank you again, most sincerely, for this opportunity of meeting and talking with you during this my first home visit since assuming my immensely interesting and agreeable duties in your old homelands. Now that the war has ended, and with prospects of American-operated world airliners making the voyage in 30 hours from New York to Cairo, and perhaps Beirut and Damascus, I am hopeful that I and many of you will make the journey yearly.

Ashes of Late Lord Lothian To Be Transported to Scotland

[Released to the press December 4]

The United States Cruiser *Augusta*, bearing the ashes of the late Lord Lothian, British Ambassador at Washington from August 30, 1939 until his death on December 12, 1940, will sail from New York Harbor on Wednesday, December 5, for Glasgow, Scotland.

Air-Transport Agreement Between the United States and Portugal

[Released to the press December 7]

The Department of State announced that a bilateral air-transport agreement has been concluded with the Portuguese Government, providing for the so-called "Fifth Freedom" traffic privileges. The agreement, which is dated December 6 and becomes effective immediately, was signed by Ambassador Baruch in Lisbon.

Services to be operated under the agreement by United States airlines include a route via Bermuda and the Azores to Lisbon, with one sector proceeding to London and another to Barcelona and Marseille; a second route via Newfoundland to Lisbon, proceeding onward to the Middle East via Madrid and the Mediterranean area; and a third route across the Pacific which includes a stop at Macao.

Portuguese air services are granted the right to operate from Lisbon to New York via the Azores and Bermuda.

The text of the agreement will be printed in a later issue of the BULLETIN.

Ratification of Charter of the United Nations

Guatemala

Jorge García Granados, Ambassador of Guatemala, deposited on November 21 the Guatemalan instrument of ratification of the Charter.

Norway

Lars J. Jorstad, Chargé d'Affaires ad interim of the Norwegian Embassy, deposited the Norwegian instrument of ratification of the Charter on November 27.

Second Anniversary of the Tehran Conference

[Released to the press December 7]

Telegram from Abolghassem Nadjm, Minister for Foreign Affairs of Iran, to the Secretary of State

DECEMBER 1, 1945.

On the occasion of the anniversary of the Tehran Conference, at which time the heads of the Big Three Allied Powers, the United States, the Union of Soviet Socialist Republics and Great Britain, after having acknowledged the aid furnished by Iran in the prosecution of the war against the common enemy, after having recognized the continued efforts of our country in the pursuit of victory, and after having, finally, promised to give to Iran their complete assistance in economic and financial matters in the post-war world and in international conferences, recalled in a celebrated common pronouncement, published at Tehran, their agreement on the maintenance of the independence, sovereignty, and territorial integrity of Iran in conformity with the principles of the Atlantic Charter adhered to by all the Allied Powers, the Iranian people are confident that as in the past their great Allies will not fail on the basis of this historic document to grant them their complete assistance.

Reply of the Secretary of State

DECEMBER 7, 1945.

I acknowledge with pleasure your telegram of December 1, occasioned by the second anniversary of the historic Conference of Tehran. I note particularly your expression of the Iranian people's confidence in the continued fulfillment by the signatory nations of the pledges embodied in the Declaration Regarding Iran. I welcome this opportunity of expressing again the recognition by the Government of the United States of the assistance rendered by Iran in the recent victory over our common enemy and of assuring you that the interest of the Government of the United States in the maintenance of the independence, sovereignty, and territorial integrity of Iran, as set forth in that Declaration, has not changed in any respect.

Mail Service to Hungary and Albania

[Released to the press December 6]

It has been announced that as of November 21, 1945 all classes of regular mails including letters, post cards, printed matter for the blind, printed matter in general, commercial papers, samples of merchandise, and small packets will be accepted for dispatch to Hungary and Albania. Postage rates are those applicable prior to the suspension of service.

Special-delivery, money-order, and parcel-post services are not available.

Packages up to 4 pounds 6 ounces in weight containing merchandise such as non-perishable food and clothing are acceptable for mailing if prepaid at the letter rate of postage.

Articles not exceeding one pound in weight will be accepted for dispatch via airmail to these countries if prepaid at the rate of 30 cents a half ounce or fraction thereof.

The export control regulations of the Office of International Trade Operation, Department of Commerce (formerly Foreign Economic Administration) are applicable to mail for these countries.

Business and financial communications are subject to the freezing control regulations of the Treasury Department, information concerning which may be secured by prospective mailers from the nearest Federal Reserve Bank or the Treasury Department.

Limitation of Swiss Watch Imports Viewed

[Released to the press December 3]

The Department of State announced on December 3 that, following earlier discussions with the Swiss Government and after consultation with affected domestic interests, a note has been presented to the Swiss Minister regarding the increasing volume of imports of Swiss watches and watch movements, concessions on which were granted in the trade agreement with Switzerland concluded in 1936.

Since 1942 the United States watch-manufacturing industry, with its distinctive skills essential to the national defense, has been engaged almost exclusively in the production of watches and precision instruments for military purposes. During this period the civilian demand for watches in the United States has been met almost entirely by imports in substantial volume from Switzerland. During recent months these imports have been at an average annual rate considerably above the pre-war volume of domestic sales of both imported and comparable domestically produced watches and movements.

It has been the established policy of the interdepartmental trade-agreements organization in administering the Trade Agreements Act to take action where necessary to prevent serious injury to essential United States industry as the result of concessions granted in trade agreements. The note presented to the Swiss Minister therefore expressed the concern of this Government regarding the

increased imports and proposed action looking toward the limitation of imports of watches and watch movements during the period of reconversion of the domestic watch-manufacturing industry. In view of the urgency of achieving a solution of the problem during the current year, the note asked for a prompt reply.

Civilian Travel Accommodations to India-Burma Theater

[Released to the press December 4]

Questions have been asked regarding the reason for the allocation to civilians of space on United States Army transports engaged in repatriating American military personnel from the India-Burma theater.

The Department fully appreciates the urgency for the return to the United States as soon as possible of all members of the United States armed forces who are no longer required for occupational and related duties overseas or who have become eligible for discharge through their record of service. At the present time virtually all American shipping facilities between India and the United States are under the control of the War Department for the accomplishment of this important task. Consequently, the only practical means by which any civilians can obtain passage accommodations to the United States from India is on United States Army transports.

In order to assure transportation to the United States for the relatively small number of American and foreign civilians whose travel to this country could not be delayed without adverse effect on the United States national interest, arrangements were made between the Department and the War Department some months ago whereby small numbers of civilians were permitted to travel to this country on Army-controlled transports under a strictly limited monthly-quota system. Included in this category have been American and foreign businessmen actively engaged in the reestablishment and expansion of international trade, and American and foreign government officials traveling under orders. The travel of such persons is directly related to American national welfare. An important consideration in the establishment of these quotas was the expansion of American foreign trade, which will assist in creating jobs in this country for the returning soldier and sailor. The approximately 100 or so Indian students who were given space on Army transports during the past few months have come to the United States for technical training as a prelude to far-reaching programs of industrial and agricultural expansion in their home country, and their training here thus will have a direct bearing on American foreign trade and on long-range American relations with the 400,000,000 people of India. At the request of the War Department it has been decided, however, that, until further material progress has been made in the repatriation of American military personnel from the India-Burma theater, no additional Indian students will be provided transportation space on United States Army transports.

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THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 338

DECEMBER 16, 1945

In this issue

THE PRESIDENT'S STATEMENT OF POLICY TOWARD CHINA

OUR INTERNATIONAL INFORMATION POLICY

Radio Broadcast

SPECIALIZED INTERGOVERNMENTAL AGENCIES: THEIR PLACE IN UNO

By Louis K. Hyde, Jr.

*For complete contents
see inside cover*



THE DEPARTMENT OF STATE

BULLETIN

VOL. XIII • No. 338 •



• PUBLICATION 2444

December 16, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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United States Policy Toward China

Statement by THE PRESIDENT

[Released to the press by the White House December 16]

The Government of the United States holds that peace and prosperity of the world in this new and unexplored era ahead depend upon the ability of the sovereign nations to combine for collective security in the United Nations Organization.

It is the firm belief of this Government that a strong, united, and democratic China is of the utmost importance to the success of this United Nations Organization and for world peace. A China disorganized and divided either by foreign aggression, such as that undertaken by the Japanese, or by violent internal strife is an undermining influence to world stability and peace, now and in the future. The United States Government has long subscribed to the principle that the management of internal affairs is the responsibility of the peoples of the sovereign nations. Events of this century, however, would indicate that a breach of peace anywhere in the world threatens the peace of the entire world. It is thus in the most vital interest of the United States and all the United Nations that the people of China overlook no opportunity to adjust their internal differences promptly by methods of peaceful negotiation.

The Government of the United States believes it essential:

(1) That a cessation of hostilities be arranged between the armies of the National Government and the Chinese Communists and other dissident Chinese armed forces for the purpose of completing the return of all China to effective Chinese control, including the immediate evacuation of the Japanese forces.

(2) That a national conference of representatives of major political elements be arranged to develop an early solution to the present internal strife—a solution which will bring about the unification of China.

The United States and the other United Nations have recognized the present National Government of the Republic of China as the only legal

government in China. It is the proper instrument to achieve the objective of a unified China.

The United States and the United Kingdom by the Cairo Declaration in 1943 and the Union of Soviet Socialist Republics by adhering to the Potsdam Declaration of last July and by the Sino-Soviet treaty and agreements of August 1945 are all committed to the liberation of China, including the return of Manchuria to Chinese control. These agreements were made with the National Government of the Republic of China.

In continuation of the constant and close collaboration with the National Government of the Republic of China in the prosecution of this war, in consonance with the Potsdam Declaration, and to remove possibility of Japanese influence remaining in China, the United States has assumed a definite obligation in the disarmament and evacuation of the Japanese troops. Accordingly the United States has been assisting and will continue to assist the National Government of the Republic of China in effecting the disarmament and evacuation of Japanese troops in the liberated areas. The United States Marines are in north China for that purpose.

The United States recognizes and will continue to recognize the National Government of China and cooperate with it in international affairs and specifically in eliminating Japanese influence from China. The United States is convinced that a prompt arrangement for a cessation of hostilities is essential to the effective achievement of this end. United States support will not extend to United States military intervention to influence the course of any Chinese internal strife.

The United States has already been compelled to pay a great price to restore the peace which was first broken by Japanese aggression in Manchuria. The maintenance of peace in the Pacific may be jeopardized, if not frustrated, unless Japanese influence in China is wholly removed and unless China takes her place as a unified, democratic, and peaceful nation. This is the purpose of the maintenance for the time being of United States military and naval forces in China.

The United States is cognizant that the present National Government of China is a "one-party government" and believes that peace, unity, and democratic reform in China will be furthered if the basis of this Government is broadened to include other political elements in the country. Hence, the United States strongly advocates that the national conference of representatives of major political elements in the country agree upon arrangements which would give those elements a fair and effective representation in the Chinese National Government. It is recognized that this would require modification of the one-party "political tutelage" established as an interim arrangement in the progress of the nation toward democracy by the father of the Chinese Republic, Dr. Sun Yat-sen.

The existence of autonomous armies such as that of the Communist army is inconsistent with, and actually makes impossible, political unity in China. With the institution of a broadly representative government, autonomous armies should be eliminated as such and all armed forces in China integrated effectively into the Chinese National Army.

In line with its often expressed views regarding self-determination, the United States Government considers that the detailed steps necessary to the achievement of political unity in China must be worked out by the Chinese themselves and that intervention by any foreign government in these matters would be inappropriate. The United States Government feels, however, that China has a clear responsibility to the other United Nations to eliminate armed conflict within its territory as constituting a threat to world stability and peace—a responsibility which is shared by the National Government and all Chinese political and military groups.

As China moves toward peace and unity along the lines described above, the United States would be prepared to assist the National Government in every reasonable way to rehabilitate the country, improve the agrarian and industrial economy, and establish a military organization capable of discharging China's national and international responsibilities for the maintenance of peace and order. In furtherance of such assistance, it would be prepared to give favorable consideration to Chinese requests for credits and loans under reasonable conditions for projects which would contribute toward the development of a healthy economy throughout China and healthy trade relations between China and the United States.

British Reply to American Proposal on Iran

[Released to the press December 14]

Response of the British Government to the United States proposal for the evacuation of all foreign troops from Iran by January 1, 1946

As the United States Government will recall, His Majesty's Government suggested to the Soviet Government at the London meeting of the Foreign Ministers that the Soviet Government and His Majesty's Government should agree to withdraw by the middle of December their respective forces from the whole of Persia except certain defined zones, leaving only small parties for the disposal of surplus property and installations.

The Soviet Government were unable to accept this proposal; nonetheless, His Majesty's Government proceeded with the arrangements suggested in their proposal to the Soviet Government, and, except for small administrative parties, such British troops as now remain in Persia have been withdrawn southwards as quickly as possible and are stationed in the extreme southwest of the country.

His Majesty's Government takes the view that the Allied troops were stationed in Persia only for purposes connected with the war, and that the war being ended they should withdraw as soon as possible. Therefore, upon the receipt of the United States Government's proposal that all Allied troops should be withdrawn from Persia before the first January 1946, His Majesty's Government as a matter of urgency commenced an examination of the practicability of withdrawing their forces by that date.

The Soviet Government, having intimated to the United States Government that they are not prepared to accede to the United States Government's proposal,¹ British military authorities are not continuing their plans to examine the details involved in arrangements for withdrawal by January 1, 1946.

His Majesty's Government entirely agree with the view that fulfillment of assurances contained in the Declaration of Tehran of December 1, 1943 requires that the Government of Iran should have full freedom to move its armed forces in such manner as it considers necessary in order to preserve its authority and maintain internal security.

¹ For text of Soviet reply, see BULLETIN of Dec. 9, 1945, p. 934.

Our International Information Policy

RADIO BROADCAST

Participants

WILLIAM BENTON

Assistant Secretary of State for Public Affairs

WILLIAM T. STONE

Director, Office of International Information and Cultural Affairs, Department of State

LOY HENDERSON

Director, Office of Near Eastern and African Affairs, Department of State

STERLING FISHER

Director, NBC University of the Air

[Released to the press December 15]

ANNOUNCER: Here are *Headlines from Washington*:

Assistant Secretary of State Benton Says Passage of Bloom Bill Authorizing International Information Service Is Essential to Our Foreign Policy.

William Stone Says State Department Information Service Must Help To Supplement, Rather Than Compete With, Private News Services.

Loy Henderson Says People Abroad Still Know More About American Gangsters Than About the American Way of Life.

During the next few weeks, we expect to discuss some of the most important phases of our foreign policy with leading officials of the Department of State. This is the first of a new group of State Department broadcasts, and the forty-fourth in a larger NBC University of the Air series entitled "Our Foreign Policy". This time "Our International Information Policy" will be discussed by Assistant Secretary of State William Benton, who is responsible for this phase of the State Department's work; Mr. William T. Stone, Director of the Office of International Information and Cultural Affairs, who will supervise the overseas informational program when it is set up on a permanent basis; and Mr. Loy Henderson, Director

of the Office of Near Eastern Affairs of the State Department, and until recently Minister to Iraq, who has had first-hand experience with informational work abroad. Sterling Fisher, Director of NBC's University of the Air, will serve as chairman of the discussion.

FISHER: Mr. Benton, the State Department has come in for some severe criticism lately, for not releasing more information on our foreign policy. Would you like to define your information policy?

BENTON: Well, Mr. Fisher, we're now working toward releasing as much information as possible, as fast as possible, and with a maximum of frankness. I know we haven't always lived up to these aims; we're working now on plans to improve our channels for getting the facts out to the public. But that's another story—we can't expect to cover in one broadcast both our domestic information policy and our international information program.

FISHER: Yes, we'll cover the domestic aspects in another broadcast. But I suppose the aims you mentioned apply to our international program as well.

BENTON: In a general way, yes—we want to get accurate information out, and as fast as possible. But here at home we are dealing with foreign policy and international relations generally, whereas our overseas operations will be much broader. We'll be operating abroad under a special directive from President Truman. He put it this way: "It should be the aim of American foreign policy to give other peoples of the world a full and fair picture of American life." That's a revolutionary concept—something new in the history of diplomacy. Diplomacy speaks to officials; our information program will speak to peoples. The people of the world are on the march. They are already in touch with each other, through the press and radio and movies; our job is to help them to get *correct* information about us.

FISHER: That raises a fundamental question: Why has it suddenly become necessary to dispense information about America to the whole world?

BENTON: The *need* is not new; but we've only recently begun to meet that need. We've discov-

ered that it's no longer safe to assume that the whole world believes in the purity of our motives.

STONE: You see, Mr. Fisher, we discovered in this war that we were handicapped by a lot of false notions that other people had about us. Misinformation—and lack of information—played right into the hands of the enemy propagandists.

FISHER: Can you give us an example or two, Mr. Stone, to illustrate what you mean?

STONE: Yes. America was completely misrepresented all over Europe and the Far East by Axis propagandists early in the war. They described us as weak, divided, spineless people who never really stand up and fight. We disproved that. But while we were arming ourselves, we had to tell the story of our growing strength to our Allies, and especially to the people of occupied countries—so they wouldn't get discouraged while they were waiting for D Day. We developed channels through OWI and other agencies to tell the truth about the American war effort and our war aims.

FISHER: That was an important part of our psychological warfare. But now that the war is over, how can you justify continuing this sort of program? Mr. Benton, hasn't the need for it diminished?

BENTON: The need for *that* particular kind of information, yes. But I believe very strongly that it has never been more necessary to tell our story than right now.

FISHER: That calls for a bit of explanation.

BENTON: I mean just this: We are one of the most powerful nations in the world today. A good many people in other countries think of us as the nation with the atom bomb, the B-29 planes, the huge navy and air forces. This impression is liable to give rise to misunderstanding, fear, and hatred if we don't make our aims clear, and convince people that ours is a peaceful way of life. We can't have friendly, peaceful relations with other nations unless they understand us. We need to make a real effort to see that they do. Such a program as ours is not a cure for suspicion and hatred. But it will be a kind of vaccination. And it is one of the cheapest ways I know to guard against friction with other nations.

FISHER: Cheap in terms of dollars?

BENTON: Yes. I read the other day that Major General Groves, testifying before a congressional committee, said that about 500 million dollars and 35 thousand people would be needed in the next year to manufacture and improve the atom bomb.

I suggest that it would be good sense to spend 5, 10, or 15 percent as much on international information and cultural relations to help make the bomb unnecessary—by producing international cohesion rather than fission.

STONE: It's a matter of our own security, in the long run.

BENTON: I think Loy Henderson, here, can tell you the importance of an information program from the point of view of a Foreign Service officer. Here's a man who has risen in the Foreign Service from a vice consul 24 years ago to the post of Minister to Iraq and now Director of the Office of Near Eastern Affairs. He's seen these problems at first hand. From your experience, Loy, what do you think?

HENDERSON: Well, Bill, that experience has convinced me of the absolute necessity for making sure other people know exactly what we stand for, what we are striving for. Otherwise hostility may develop toward us, and that would hamper us in our efforts to mobilize world opinion for peace.

FISHER: I should think, Mr. Henderson, that our participation in the United Nations Organization would be a pretty good guaranty of our peaceful intentions.

HENDERSON: Perhaps, Mr. Fisher. But you have to remember that the success of the United Nations will depend on the extent to which the people of the different nations understand and trust one another. Now, people in every corner of the world are observing and wondering about developments in the United States. They have a real thirst for information about us, what we are like, what our policies are. During the war, through the OWI we have at least begun to satisfy that curiosity, and people are getting to understand us better. That can be a great help during the post-war period, if we continue at least some of this information work.

FISHER: You really think that other people had no accurate idea of American life before the war?

HENDERSON: I know they didn't. They had very little chance to know us. Their impressions were haphazard, based on scraps of news, sensational stories, odd bits of information. They knew more about American gangsters of the 1920's than they knew about the American educational system of the 1940's. They thought we were all very wealthy, and that we got divorces every year or two. Thanks largely to the Axis propagandists, too many of them still think

we are a rich, tawdry, gun-toting, jazz-loving, unscrupulous lot.

BENTON: Yes, the American myth has some strange features—and inconsistencies. We are a combination Uncle Santa Claus and Uncle Shylock, for example. And despite our record some people think we have sinister imperialistic designs.

FISHER: So Uncle Sam, in the person of the State Department, is in the information field to correct some of these false impressions—is that right, Mr. Benton?

BENTON: We're not in it yet. We're operating as well as we can with an interim set-up until we are authorized by Congress to do the job ourselves. It's a highly temporary arrangement, a stop-gap authorized by President Truman.

STONE: Actually, as yet we have no congressional authority to establish a permanent international information service. The Bloom bill, introduced by Congressman Sol Bloom, chairman of the House Foreign Affairs Committee, will give us that authority.

BENTON: And that authority is essential to our foreign policy in this field. But the Bloom bill is only the first of two steps necessary for carrying out this phase of our foreign policy. It will authorize us to take the second step—to ask for funds so that we can set up a permanent staff of information officers abroad.

FISHER: Mr. Benton, there's one question that I think should be answered here. Why should the *Government* have to do all this? From what all of you have said, it's obvious that private information channels didn't do too good a job of informing the world about America before the war. But does that mean it can't be done unless the Government goes into the information business?

BENTON: I want to make it clear that we won't be competing with private business in this field. The private press and radio and films have done a lot in the past, and we'll encourage them to do still more in the future. They will do the main job of getting the facts out. Our job will be a supplementary one.

STONE: Overseas press coverage of the American scene must necessarily be incomplete. It deals with spot news, on a day-to-day basis. Such things as strikes and gangster shootings are bound to bulk pretty large, as they do in our own press, because they are news, with commercial value. Not that the news services don't send plenty of solid stories too. But they rarely transmit such

things as the complete text of the President's speeches, important Government documents, and the like. It will be our job to supplement the news agencies by making such material available to editors and others who need it. And, in addition, some feature articles on the American scene can be sent out. None of this would compete with the news services. It would be entirely supplementary.

HENDERSON: I can testify to the value of this sort of coverage to the people of Iraq. It has been of great value to us there.

FISHER: You're referring to OWI's outpost in Iraq, Mr. Henderson?

HENDERSON: Yes. It worked quite a change during the war years. You see, there are no permanent representatives of American news agencies out there, and such news as they had from America was short items from the wire services or items copied from other papers. Only a few educated people had any real picture of America. Then OWI sent very able men in, and they filled in the missing link by issuing releases on developments in America. They were very widely used. In fact, I think it's safe to say that last year the Baghdad press carried more news from American sources than from any other source. Let me give you an example of how this was done.

FISHER: By all means.

HENDERSON: Last summer the Regent of Iraq came to America and traveled extensively over here. OWI cabled daily reports of his trip—where he had gone, what he had seen, and background information on all this. When he visited our Supreme Court, the OWI representative in Baghdad furnished to the Iraqi press an account of the Court and what it stood for. Such stories were headlined in the Iraqi papers almost every day for a month. The people were given an educational tour of the United States. It added up to the most impressive play of news in the history of Iraqi press. Without these articles, very little would have been printed about the Regent's trip, except for the bare itinerary.

FISHER: Well, that's certainly a good case for supplementary press coverage. But what about the radio? We had some powerful short-wave transmitters before the war. Mr. Stone, don't you think they did a good job?

STONE: Yes, but even so we were far behind the other major nations in our short-wave broadcasting. At the outbreak of the war we had 13 transmitters, owned by 6 private corporations. They

couldn't begin to carry the load. OWI leased them, and new stations were built until early this year we had 38 transmitters in operation, sending out programs in 40 languages.

FISHER: But now that the war is over do we need such an ambitious schedule? I'm thinking of the taxpayer, you see.

STONE: No, of course not. We are cutting it way down. We will have fewer stations, and we have already cut the number of languages to 18. But that's still too much for private radio to handle. That is, it would not be commercially feasible without Government help.

FISHER: The networks are doing a good deal on their own initiative. NBC is transmitting this very program by short-wave to Latin America, in Spanish and Portuguese.

STONE: Yes, the private companies have done a lot. But they don't get enough financial returns to make it possible for them to give any kind of complete news coverage, or well-balanced cultural entertainment programs, without Government help.

FISHER: What's the alternative, then? Government operation?

STONE: We are still studying the question. It's possible that some sort of private or public corporation may take over the main job, with Government assistance and control. But we haven't taken any definite position on this as yet. We only know the job must be done.

BENTON: Remember that other countries are in this field to stay. Early this year Russia had 35 short-wave transmitters, and Great Britain has 41. We ought to keep our short-wave broadcasts going on a comparable basis, without neglecting standard-wave broadcasts where facilities are open to us. The "Voice of America" has been a great inspiration to people all over the world during the war, and it should not be silenced.

FISHER: And now, Mr. Benton, what about the content of our broadcasts? Would it be like the press materials you described?

BENTON: It will be considerably broader. At present, our broadcasts do six things: first, they give the world news in brief; second, they give American editorial and radio comments on the news; third, they include statements on American official policy from the President, members of the Cabinet, congressional leaders, and prominent people in all walks of life; fourth, they present news of American internal affairs; fifth, they supply news from the Far East and from the Ameri-

can occupation zone in Germany; and, finally, they present radio features on the American way of life and American science, education, the arts, and agriculture. I think we should continue to cover all of these fields.

FISHER: There will of course be some who will call this propaganda. How would you answer them, Mr. Benton?

BENTON: The word *propaganda* has bad connotations to many Americans. That's because they associate it with lies and half-truths, told with a hidden purpose. But our aim will be to present a well-rounded picture of America and American foreign policy. We'll present representative criticisms, as well as praise. We won't select or distort the facts in order to give a completely favorable picture. The best propaganda in the world is the truth. We found that out during the war.

FISHER: Mr. Stone, you'll have to deal with this problem. How will you handle an automobile strike, for example?

STONE: We will report major strikes. But we won't play them up sensationally. We'll try to tell the whole story—the issues in the strike, what it means to the industry and to the workers, and so on.

FISHER: Which is more than we get most of the time in our own newspapers, when a major strike is on. But let's take another case, that would be even more difficult to deal with—the race problem. Suppose a race riot occurs. Would you tell the world about that? It would be pretty hard for some of our friends—China and the Soviet Union and the Latin Americans—to understand.

STONE: We won't hide the fact that we have social problems. But we'll try to present them in perspective. We'll say, in effect, here's a problem in race relations. Here's how it came about. We don't like it, and we're trying to remedy it.

BENTON: At the same time, we can describe the progress we are making toward removing the causes of racial conflict. And we can make it very clear that we don't consider ourselves a master race.

FISHER: There's one other main channel of information we haven't discussed yet, Mr. Benton. That's the motion picture. Will you make much use of the films in getting our story across? Since you were interested in classroom films before you came to the State Department, that ought to be right up your alley.

BENTON: The motion pictures which commer-

cial distributors send abroad probably do more than any other one thing to form impressions of the United States. Those impressions haven't always been fair to us. Too many people think that every American housewife has a 40-foot living-room and a maid to wait on her. But on the whole the movies have helped to portray our way of life.

FISHER: Sometimes they have made enemies, too, in Latin America and elsewhere. I understand that the British were quite incensed about that picture in which Errol Flynn recaptured Burma almost single-handed. Would you try to control film distribution to avoid that sort of thing?

BENTON: I'll say this, Mr. Fisher. The State Department has no intention of censoring films for export. Any controlling that is done would be by the film industry itself, perhaps in consultation with Government officials who could give sound advice as to the reception certain films would get abroad. The movie industry has been most cooperative all through the war, and I'm sure it will continue to work for the common good in connection with our overseas program.

FISHER: I understand you have some plans, though, to produce documentary films of your own.

BENTON: On a small scale, yes, if Congress approves. We plan to arrange for the production of a small number of educational films about life in the United States, for distribution in Latin America and elsewhere. But they will be non-commercial, for schools and special groups. They won't compete with the commercial films.

FISHER: Mr. Stone, what other channels will you use to reach the people of other countries? How about the magazines put out by OWI and its Latin American counterpart, the Office of Inter-American Affairs?

STONE: Most of them have already been sold or discontinued, Mr. Fisher. The only exceptions are two magazines for Germany, published in co-operation with the Army, and one published in Moscow. The latter magazine, *America*, is the only foreign magazine distributed in the Soviet Union. We distribute 10,000 copies a month over there, and they are in great demand.

BENTON: And then there's the *Information Bulletin* published by our Embassy in Moscow, 200 copies of which go to Soviet officials. That is said to have the most influential circulation in the world. These publications are very valuable in

bringing about understanding of America. And if they are to be continued at all the State Department must publish them. I think it is important that we do so. The Soviet Union is not a one-man dictatorship, as so many people believe it to be. Decisions there are often *group* decisions, and the opinions of top officials, and of the public, too, are a real factor in making them. We want the opinion leaders there to know as much as possible about America and Americans.

STONE: Going back to your question about other channels of communication, Mr. Fisher: I think we ought to add that we are trying to build up circulation of American books, and American magazines with overseas editions. We are continuing OWI's photographic exhibits about American life, on a small scale. And, last but not least, we're planning to continue the United States information libraries in the principal cities of the world.

FISHER: I remember that Congressman Dirksen, on one of these programs, praised the information libraries he had seen in his travels abroad. In fact, he was quite enthusiastic about the overseas OWI set-up in general.

BENTON: Those information libraries have been widely used, and have probably received more praise than any other aspect of OWI's work. I remember hearing how long lines of anxious people came to our library in Melbourne, Australia, after President Roosevelt's death, to find out what would happen in the presidential succession. Henry Seidel Canby, the famous editor, said on his return to America not long ago that the libraries "have enabled the right people at the right time to learn for themselves, from books and not from propaganda, what America was, is, had, could offer, what we were thinking and how we felt. They . . . should be part of our permanent foreign policy."

FISHER: Mr. Henderson, in questioning these information experts I didn't mean to leave you out of the discussion for so long.

HENDERSON: That's quite all right, Mr. Fisher. That's their province, and I've been getting a good briefing in the subject myself.

FISHER: I would like to ask you, though, to give your evaluation of this whole program, from the viewpoint of the Foreign Service.

HENDERSON: Well, let me put it this way: About 70 years ago we started to give Japan all sorts of technical help toward becoming a modern industrial nation. I have often wondered whether the history of the last few years might not have

been entirely different if we had also given the Japanese a better picture of our democratic way of life in those first formative years after the Meiji Restoration. It's quite possible that if they had had a chance to absorb the concepts of democracy the Japanese might never have taken the path of military aggression.

BENTON: In that connection, Brigadier General Fellers of General MacArthur's staff told me recently that the Japanese who knew America best were opposed to the military clique—opposed to the war. One former military attaché, who had been stationed at the Japanese Embassy here, was read out of the Army for his views. And a former naval attaché was also dismissed. If more people in Japan had had the information these men had about America, the Japanese might never have gone to war with us. But go ahead, Loy.

HENDERSON: The program Bill Benton and Bill Stone have been outlining will work in two ways: It will give other peoples an accurate understanding of America, so they will know us better, and it will also help them to decide for themselves whether they want to go our way, toward democracy, or toward totalitarianism. I suspect that a small expenditure for an American information program now might pay big dividends later, in a wide-spread trend toward a free democratic way of life and in a drop in the need for military preparedness on our part in the long run.

FISHER: Mr. Benton, to do the job Mr. Henderson envisions, you'll need some good people on your staff. Will you keep on your payroll most of the OWI and Office of Inter-American Affairs employees?

BENTON: No, our peacetime staff will be very modest. Of course, we still have a big job to do in Japan and in our occupation zone in Germany. There we have the problem of reeducating the people for democracy. But the period of psychological war is over; and we'll operate with a comparatively small staff from here on in. We expect to have only a few hundred doing information work overseas—about 20 percent of what the war-information agencies have employed during the war.

STONE: In Rome, for example, OWI had a staff of 60 people. We expect to retain only 20 on a permanent basis.

FISHER: Will these 20 be taken into the Foreign Service?

STONE: Not immediately. We'll have to make special provision for them. One problem is to hold the best people.

HENDERSON: I think it's essential to retain the ablest part of the OWI staff. They have had valuable experience during the war years, and it would be a shame to lose them. Of course, they've made mistakes; but if we had to start from scratch our people would probably make the same mistakes all over again.

FISHER: Now, the new information set-up—what is it to be called, Mr. Benton?

BENTON: It's a mouth-filling name—the Office of International Information and Cultural Affairs—OIC, for short.

FISHER: How closely will the new set-up work with international agencies in the same field? The United Nations information organization, for example, and UNESCO—the United Nations Educational, Scientific and Cultural Organization.

BENTON: We'll cooperate with them wherever possible, of course—especially with UNESCO, once it gets going. UNESCO will work on the United Nations level, whereas ours is a strictly American project. But we will work closely with them, especially in arranging educational and informational exchanges.

FISHER: And then, what about the information services that other countries operate here in the United States? Mr. Stone, will you have some sort of reciprocal arrangement or exchange with them?

STONE: I suppose you might call it that. We have always welcomed the information agencies of friendly nations, subject only to the formality of registering under the Foreign Agents' Registration Act. This need for information is a two-sided proposition. Other people need to know more about us, but we also need to know more about them. That's where the foreign information services are doing a very constructive job here in America.

BENTON: Speaking of exchanges, I'd like to say a word about our own cultural-relations program. I firmly believe that in the long run this will do even more than information work to build friendly relations with other nations.

FISHER: You're speaking now, Mr. Benton, of exchanges of teachers and students?

BENTON: And technicians and scientists. They are all included in our program.

FISHER: Having taught out in the Far East myself, for a time, I'm especially interested in educational exchanges.

BENTON: China is a good example of how that works out in practice. We are now helping to

finance the education of Chinese students over here. Long before we started doing this we earmarked for educational purposes the indemnity we were awarded after the Boxer Rebellion; as a result about 2,000 Chinese students have come to the United States to complete their education. These people are now among the top figures in the Chinese Government. They are our friends, and they have done a lot to spread modern American ways among the Chinese people. Then too, 12 to 15 American technical experts go to China each year, to help modernize Chinese agriculture and industry.

FISHER: Is this sort of thing to be extended to other countries?

BENTON: Oddly enough, the State Department is authorized to do this only in Latin America. We have operated in China and the Near East only by using wartime emergency funds.

STONE: The Bloom bill, though, will authorize cultural exchanges of this sort with all nations.

FISHER: Mr. Benton, how many exchange students do you plan to have come over here each year?

BENTON: If you mean students who come here on their own, as well as formal exchanges arranged by the Government, the figure would be quite large. Even during the war, we had about 2,500 Latin American students in this country. We expect to have 10,000 foreign students here in 1946, and 20,000 in 1947. That should be only a beginning—I'd like to see the figure soar to 50,000, eventually.

FISHER: Mr. Henderson, hasn't a lot been accomplished in the Near East through education contacts with America?

HENDERSON: It takes a rather different form there, Mr. Fisher, and it goes back a century or more. Various American schools, in particular the American University at Beirut and Roberts College near Istanbul—Constantinople—have done a great deal to help the people of that region, and incidentally to make them understand what America stands for.

FISHER: Have you felt the effects of this as far away as Iraq?

HENDERSON: There's no Arab country where you don't find graduates of the American University in Beirut, in positions of top leadership. The Minister of Public Works in Iraq got his training there. I remember that in traveling through Kurdistan, in Northern Iraq, I found judges, doctors, and high public officials who had

graduated from the same American University. Last year when I visited Najef, the holy city of the Shiite Moslems, I had a long talk with the Grand Muztahid, the leader of the Shiites—the second-largest Moslem group. Our translator, the local governor, turned out to be an alumnus of the American University. You find them everywhere.

FISHER: And you felt that their contact with American teachers in Beirut had been beneficial, from our own point of view?

HENDERSON: Absolutely. A British official who knows the Near East intimately once told me that the understanding of American democracy and war aims gained by students at the American University was largely responsible for the loyalty of a great majority of Near Eastern peoples to the Allies—despite the frenzied propaganda of the Axis. That was important to us. Our line of communication was pretty thin out there at the peak of the Axis drive. If we hadn't had the support of the people, the Germans might well have smashed through to India to meet the Japanese. That might have been disastrous.

FISHER: That's an interesting angle. Now to summarize what has been said: The Bloom bill will authorize the State Department to set up a permanent international information service. The Department will retain part of the OWI program, but on a reduced scale. It will service the press of foreign countries, broadcast on the radio, and use non-commercial films, exhibits, and publications to explain American policy and the American way of life to people everywhere. The Bloom bill will also open the way for a world-wide exchange of educational and technical personnel. In the long run, Mr. Secretary, you feel that this will be the best possible means of insuring a permanent peace.

BENTON: That's right. It's a question of *understanding*, versus *force*. America, to most peoples abroad, is a symbol of prosperity. If we can make it a symbol of the best democratic traditions as well, we will be helping to rid the world of hatred, suspicion, and the germs of future wars.

FISHER: Well, thank you, gentlemen, for giving us a forecast of the State Department's international information policy. And, Mr. Benton, we'll be coming back to you later with some questions about our domestic policy in releasing information—and especially the question of foreign-policy secrecy.

(Continued on next page)

Meeting of Foreign Secretaries in Moscow

MATTERS DISCUSSED BY THE SECRETARY OF STATE AT HIS PRESS CONFERENCE

At his press and radio news conference on December 11, the Secretary of State announced that he would leave for Moscow on December 12 and that the following men would accompany him: Benjamin V. Cohen, Counselor of the Department; James B. Conant, President of Harvard, who will go in place of Vannevar Bush, who is ill; John Carter Vincent, Director of the Office of Far Eastern Affairs; H. Freeman Matthews, Director of the Office of European Affairs, who is now in Paris; Charles E. Bohlen, Assistant to the Secretary, in charge of White House liaison; John D. Jernegan, Second Secretary of Embassy at Iran, who was selected by Ambassador Murray, when it was found Mr. Murray was unable to attend; and Col. Hugh A. Kelly, who will help the Secretary with arrangements. The Secretary of State explained that Dr. Bush and Dr. Conant were on the atomic-energy committee on which he served last spring.

Mr. Byrnes explained that it was not a peace conference or a meeting of the Council of Foreign Ministers, but rather it was a meeting of the three Foreign Secretaries to be held in accordance with an agreement reached at Yalta, where it was thought that it would be very beneficial to the three Governments if there could be conferences between the three Foreign Secretaries at regular intervals to furnish the opportunity for an exchange of views about the matters pending at

that time. The Secretary pointed out that the three Foreign Secretaries had met first in February at Yalta, then at San Francisco during the United Nations Conference in May, at the Berlin Conference in July, when they were in daily conference, and subsequently in September at London. Mr. Byrnes said that on December 11 three months had expired since the last meeting, adding that his suggestion that the three Foreign Secretaries meet in accordance with the Yalta agreement was for the purpose of continuing this series of meetings. The Secretary revealed that it would be his purpose at the conference to ask that the next meeting of the Foreign Ministers be held in Washington three months from December 15.

Mr. Byrnes said that regarding the atomic bomb the purpose of this Government was to inform the Soviet Government of its proposals regarding atomic energy and to learn their views as to the appropriate procedures. He added that he wanted to discuss with the Soviet Foreign Minister the question of the commission suggested by the Anglo-American-Canadian statement, what views he would have about it, and how the Russians would cooperate in the establishment of the commission.¹ Pointing out that the Foreign Ministers do not expect to explore the scientific details and the substantive problems involved because that would be left for the commission to decide, the Secretary asserted that what this Government wants to do now is to secure the cooperation of the Soviet Union in the establishment of that commission.

INTERNATIONAL INFORMATION POLICY—Continued from page 953

ANNOUNCER: That was Sterling Fisher of NBC's University of the Air. He has been interviewing Assistant Secretary of State William Benton, William T. Stone, who will head the State Department's new international information organization, and Loy Henderson, Director of the Office of Near Eastern and African Affairs. The discussion was adapted for radio by Selden Meneffe.

Next week we shall present the second of this new group of State Department broadcasts. Assistant Secretary Benton and Col. Alfred McCormack, Special Assistant to the Secretary of State, will discuss the question of a unified intelligence service.

This has been the forty-fourth in a series entitled "Our Foreign Policy", presented as a public service by the NBC University of the Air and broadcast to our service men and women, wherever they are stationed, through the facilities of the Armed Forces Radio Service. You can obtain printed copies of these broadcasts at 10 cents each in coin. If you would like to receive copies of 13 consecutive reprints, send \$1 to cover the cost of printing and mailing. Address your orders to the NBC University of the Air, Radio City, New York 20, New York. NBC also invites your questions and comments.

Kennedy Ludlam speaking from Washington, D.C.

¹ BULLETIN of Nov. 18, 1945, p. 781.

Specialized Intergovernmental Agencies

Comments on Their Place in the United Nations Organization

BY LOUIS K. HYDE, JR.¹

GENERAL SMUTS said at San Francisco that one of the main improvements of the United Nations Charter over the League of Nations Covenant is the greater emphasis on international economic and social cooperation.² Its importance was expressed by Mr. Stettinius when he emphasized the vital need for activity in this field to create a climate in which world peace and security can develop. In terms of organs of government it is especially notable in the United Nations Organization that the police power (the Security Council), the judiciary functions (the International Court), and the town meeting (the General Assembly) are reinforced by an impressive organization for the advancement of world-wide economic and social conditions—the Economic and Social Council.

It is significant that in the chapter of the United Nations Charter dealing with economic and social cooperation the first mention of definite functions is that "The various specialized agencies, established by intergovernmental agreement and having wide international responsibilities . . . shall be brought into relationship with the United Nations" through powers given to the Economic and Social Council. It is true that the League of Nations Covenant also provided that "international bureaux", either existing or organized later, should be "placed under the direction of the League". But, if there were no other difference than that the United Nations has a more unanimous support from the victorious powers than was the case with the League of Nations, there would be an improved prospect for successful relationships to be established with the various existing international agencies. A proper system of relationships between the United Nations Organization and the numerous agencies operating in various interna-

tional fields of human activity is of the greatest importance for the success for the United Nations Organization itself and for the creation and maintenance of stable conditions for world peace. Fortunately, the United Nations Charter itself goes much beyond the League Covenant in spelling out with considerable elaboration a system for relationship of intergovernmental agencies, existent or prospective. Indeed, mention is made that "arrangements for consultation" may be concluded even with non-governmental agencies and with private *national* organizations under certain conditions.

Of course, the Economic and Social Council will establish commissions to be an integral part of the United Nations central structure. The Executive Committee of the United Nations Preparatory Commission has recommended the creation of a Commission on Human Rights, an Economic and Employment Commission, a Temporary Social Commission, a Statistical Commission, and possibly a Demographic Commission on Population Trends, as well as a Temporary Transport and Communications Commission. However, it is contemplated that many broad fields of international activity will be handled not so much by these commissions as by the separate intergovernmental agencies, cited above, which have been "related" to the United Nations through the negotiation of an agreement between the individual agency and

¹ Mr. Hyde is an Assistant to Edward R. Stettinius, Jr., American representative on the Preparatory Commission of the United Nations. Mr. Hyde has been working recently with the Division of International Organization Affairs, Office of Special Political Affairs, Department of State, in the field of specialized intergovernmental agencies.

² For a comparison of the United Nations Charter with the Covenant of the League of Nations, see an article by Clyde Eagleton in the BULLETIN of Aug. 19, 1945, p. 263.

the United Nations Organization. Such organizations "having wide international responsibilities" are called "specialized agencies".

According to the report of the Executive Committee, it is contemplated at present that subjects such as the following will fall within the field of these agencies:

- Relief and rehabilitation
- Monetary cooperation and international investment
- Trade policies (including commodity problems and restrictive practices of private international agreements)
- Food and agricultural policies
- Labor, welfare, and related social questions
- Educational and cultural cooperation
- Health
- Certain transportation and communications activities

At the risk of oversimplifying, it may be useful to suggest that the Economic and Social Council of the United Nations, working under the General Assembly, constitutes principally a means of coordination, consultation, and recommendation, whereas the performance of many of the functions themselves will be detailed to the specialized agencies, carefully "related" to the United Nations Organization.

II

HENCE it is important to indicate the character of the relationship of a specialized agency to the United Nations structure. While the recent deliberations of the Executive Committee of the United Nations Preparatory Commission in London are subject to the review of the full Commission and of the General Assembly during the coming weeks, the trend of thinking seems to be along the following lines. Under the terms of the United Nations Charter, specialized agencies would be entitled to representation, without vote, at meetings of the Economic and Social Council. Likewise, the Council would be represented at important meetings of the agency. There would be full exchange of pertinent information and documents, and, in the case of an agency with headquarters elsewhere than at the seat of the United Nations, a liaison officer would be maintained by the agency at the latter point. Some delegations on the Executive Committee of the United Nations Preparatory Commission have suggested that the principal officer of the agency should be entitled to partici-

pate in a Coordination Commission of the Economic and Social Council, perhaps under the chairmanship of the Secretary-General of the United Nations or his deputy. The Council could propose items to be placed on the agenda of meetings of the agency, which would report to the Council and consult with it on action taken and on current status.

The agency might be asked to assist the Security Council in the application of measures short of the use of armed force for handling threats to the peace, breaches of the peace, or acts of aggression. These measures might include economic, communications, or other "sanctions". Assistance would also be given by the agency, when requested, to the Trusteeship Council. Again, the agency would be entitled to "request advisory opinions of the Court on legal questions arising within the scope" of its activities, and it would have the responsibility of furnishing to the Court "information relevant to cases before it", either on the request of the Court or on its own initiative.

Budgetary and financial relationships between the United Nations Organization and the agencies probably will vary considerably. In some instances these relationships may be so close that the General Assembly could vote a "consolidated budget"—containing schedules of funds for the agencies along with the general budget of the Organization. Other cases at once come to mind where any such consolidation would be impossible. For example, the International Bank for Reconstruction and Development and the International Monetary Fund will have income of their own, and the only items which might be comparable in other agencies or in the United Nations commissions would be such administrative expenses as salaries, office expenses, and other general expenditures of a recurring character. Nevertheless, in most cases the power of the General Assembly to "examine the administrative budgets" of specialized agencies and to "make recommendations" to the agencies respecting them can promote economy and efficiency. It is not intended to use this power of the General Assembly to control the policies of specialized agencies.

Operating economy and efficiency can also be served by the provision of common fiscal services—such as arrangements for the United Nations to notify countries which are members of specialized agencies regarding their respective quotas for payment to the agencies; arrangements for receiv-

ing payments, for administering special funds, for auditing, etc.; and common personnel policies, including standards of pay and provisions for exchanges of staff. A system for adjustment of taxation of international officials so as to result in comparable net salaries, and other provisions for harmonizing of "privileges and immunities", might also be part of the common arrangements. There would be a single administrative tribunal for the United Nations regarding employment terms, and a central statistical service for supplementing the facilities of the various agencies, meeting many of their requirements for statistics and minimizing duplication of requests to national governments and international agencies for statistical information. In most cases, location of headquarters of specialized agencies at the seat of the United Nations would have undoubted advantages, but it is recognized that exceptions might be made for certain agencies if some other location would better facilitate the discharge of their responsibilities.

III

THE United Nations Charter not only provides that existing agencies shall be brought into relationship with the United Nations and that the activities of these agencies may be coordinated, but it stipulates that the United Nations may encourage the creation of *new* agencies where the objectives of international economic and social cooperation would be promoted. To cover undeveloped fields of international cooperation and organization which are outside the scope of any existing agency, there are several possibilities for action, in addition to the creation of a new agency. First, an existing agency might be asked by the Economic and Social Council to undertake additional functions; second, the General Assembly might create a new "subsidiary organ" fully integrated in the United Nations structure; third, the Economic and Social Council might establish a new commission or committee of its own.

The main purpose of all these changes, of course, would be to see that the main fields of international human activity are adequately served, without duplication, economically, effectively.

The process of relating *regional* specialized agencies to *general* organizations dealing in the same field of activity, and to the United Nations, will be at once important and complex. While this question is not unrelated to the above discussion, it is a subject by itself.

Meeting of International Commission of the Rhine

[Released to the press December 12]

The United States is participating in the first post-war meeting of the International Commission of the Rhine River which began on December 12 at Strasbourg, France. This Commission is being convened as a result of an exchange of notes between the British, French, Belgian, Swiss, Netherlands, and United States Governments to reestablish international machinery to regulate navigation on the Rhine River and to promote the development of the river's resources.

The United States is represented on the Commission by Livingston T. Merchant, Minister-Counselor for Economic Affairs at the American Embassy in Paris. He is assisted by Russell S. McClure of the Department of State and Froelich G. Rainey, a member of Ambassador Murphy's staff at Berlin.

This meeting of the Rhine Commission is the first fruit of the proposal which President Truman submitted to the Potsdam conference last summer. At that time President Truman urged that the nations take immediate steps to establish provisional international commissions for each of the principal international waterways of Europe.

Secretary Byrnes offered a similar proposal at the meeting of the Council of Foreign Ministers in London in September as a constructive step to facilitate cooperation in the clearance of European waterways so that coal, food, clothing, and relief supplies might reach the needy people of Europe before winter made transportation even more difficult. The present procedure is deemed desirable in order that these avenues of commerce upon which so much of the trade of Europe moves do not become new sources of friction and impediments to reconstruction.

The meeting of this Commission marks a reestablishment of the principle of international regulation of waterways of concern to many nations which has been accepted for certain of the rivers for many decades in the past. All of the nations which border the Rhine or which have an immediate interest in its navigation or use are participating in this Commission.

The United States has joined at this time because of the fact that we have assumed responsi-

(Continued on next page)

Anglo-American Committee of Inquiry

STATEMENT BY THE PRESIDENT ON COMPOSITION AND FUNCTIONS

[Released to the press by the White House December 10]

The composition of the Anglo-American Committee of Inquiry, which was announced in Washington and London on November 13¹ and which will operate under a rotating chairmanship, will be as follows:

JOSEPH C. HUTCHESON, judge of the Fifth Circuit Court at Houston, Tex., *American chairman*

Sir JOHN E. SINGLETON, judge of the King's Bench Division of the High Court of Justice, London, *British chairman*

FRANK AYDELOTTE, formerly president of Swarthmore College; now director of the Institute for Advanced Study at Princeton, and American secretary of the Rhodes Trust

FRANK W. BUXTON, editor of the Boston *Herald*

WILFRED P. CRICK, economic adviser to the Midland Bank, London; formerly with the Ministry of Food

RICHARD H. S. CROSSMAN, Member of Parliament (Labor); formerly fellow and tutor of New College, Oxford, assistant editor of *New Statesman* and *Nation*, and Deputy Director of Psychological Warfare, A.F.H.Q., Algiers

RHINE COMMISSION—Continued from page 957

bility for the government and occupation of a part of Germany through which the Rhine flows.

The Rhine Commission has functioned continuously since 1868 except for brief periods when its work was interrupted by war. It is now being convened on a provisional basis until the interested nations can agree on a new treaty.

The purpose of the Rhine Commission is to correlate the activities of the various states concerned with the river, to assure existence of uniform navigation rules, to examine conditions of the river, to recommend engineering work to the riparian authorities for improving the channel, and to plan for the development of its resources. This latter feature of the Commission's work is especially important at this time when so much remains to be done in clearing the river of obstacles which have blocked it since hostilities took place there last winter.

O. MAX GARDNER, formerly Governor of North Carolina; now practicing law in Washington

Sir FREDERICK LEGGETT, until recently Deputy Secretary of the Ministry of Labor and National Services

Maj. REGINALD E. MANNINGHAM-BULLER, Member of Parliament (Conservative); a barrister

JAMES G. McDONALD, formerly chairman of the Board, Foreign Policy Association, High Commissioner for Refugees, and member of the editorial staff of the *New York Times*

Lord MORRISON (Robert Craigmyle, Baron Morrison), Member of Parliament (Labor)

WILLIAM PHILLIPS, formerly Under Secretary of State, Ambassador to Italy, personal representative of the President with the rank of Ambassador at New Delhi, and Delegate to the London Naval Conference, 1935

As announced by the two Governments on November 13, 1945, the terms of reference of the Committee will be as follows:

1. To examine political, economic, and social conditions in Palestine as they bear upon the problem of Jewish immigration and settlement therein and the well-being of the peoples now living therein.

2. To examine the position of the Jews in those countries in Europe where they have been the victims of Nazi and Fascist persecution, and the practical measures taken or contemplated to be taken in those countries to enable them to live free from discrimination and oppression and to make estimates of those who wish or will be impelled by their conditions to migrate to Palestine or other countries outside Europe.

3. To hear the views of competent witnesses and to consult representative Arabs and Jews on the problems of Palestine as such problems are affected by conditions subject to examination under paragraphs 1 and 2 above and by other relevant facts and circumstances, and to make recommendations to His Majesty's Government and the Government of the United States for *ad-interim* handling of these problems as well as for their permanent solution.

4. To make such other recommendations to His Majesty's Government and the Government of the

¹ BULLETIN of Nov. 18, 1945, p. 790.

United States as may be necessary to meet the immediate needs arising from conditions subject to examination under paragraph 2 above, by remedial action in the European countries in question or by the provision of facilities for emigration to and settlement in countries outside Europe.

The Governments of the United States and Great Britain urge on the Committee the need for the utmost expedition in dealing with the subjects committed to it for investigation and request that they may be furnished with its report within 120 days of the inception of the inquiry.

The procedure of the Committee will be determined by the Committee itself, and it will be open to it, if it thinks fit, to deal simultaneously through the medium of subcommittees with its various terms of reference.

EXCHANGE OF NOTES BETWEEN SECRETARY OF STATE AND BRITISH AMBASSADOR

[Released to the press December 14]

There follows the text of notes exchanged on December 10 between the Secretary of State and the British Ambassador relating to the establishment of a Joint Anglo-American Committee of Inquiry on Palestine and European Jews. The text of the notes is being released simultaneously in Washington and London.

DECEMBER 10, 1945.

EXCELLENCY:

I have the honor to inform Your Excellency, with reference to our conversations on the subject, that the Government of the United States agrees to constitute, in cooperation with the Government of the United Kingdom, a joint Anglo-American Committee of Inquiry with the following terms of reference.

1. To examine political, economic and social conditions in Palestine as they bear upon the problem of Jewish immigration and settlement therein and the well-being of the peoples now living therein;

2. To examine the position of the Jews in those countries in Europe where they have been the victims of Nazi and Fascist persecution, and the practical measures taken or contemplated to be taken in those countries to enable them to live free from discrimination and oppression and to make estimates of those who wish or will be impelled by their conditions to migrate to Palestine or other countries outside Europe;

3. To hear the views of competent witnesses and to consult representative Arabs and Jews on the problems of Palestine as such problems are affected

by conditions subject to examination under paragraphs 1 and 2 above and by other relevant facts and circumstances, and to make recommendations to the Governments of the United States and of the United Kingdom for ad interim handling of these problems as well as for their permanent solution; and

4. To make such other recommendations to the Governments of the United States and of the United Kingdom as may be necessary to meet the immediate needs arising from conditions subject to examination under paragraph 2 above, by remedial action in the European countries in question or by the provision of facilities for emigration to and settlement in countries outside Europe.

The Committee should be composed of six nationals of the United States, appointed by the Government of the United States, and six nationals of the United Kingdom, appointed by the Governments of the United Kingdom, and shall operate under a rotating chairmanship.

The Governments of the United States and of the United Kingdom shall urge on the Committee the need for the utmost expedition in dealing with the subjects committed to it for investigation and shall request that they may be furnished with its report within 120 days of the inception of the inquiry.

The procedure of the Committee shall be determined by the Committee itself and it will be open to it, if it thinks fit, to deal simultaneously through the medium of subcommittees, with any of the subjects entrusted to its consideration.

Each Government shall be responsible for compensating its own members of the Committee and other personnel selected by it and for paying such other expenses as are not susceptible of being jointly shared by the two Governments. All other expenses of the Committee shall be borne jointly by both Governments in equal proportions.

Accept [etc.]

JAMES F. BYRNES

DECEMBER 10, 1945.

DEAR MR. SECRETARY,

I have the honour, under instructions from His Majesty's Principal Secretary of State for Foreign Affairs, to inform Your Excellency that His Majesty's Government in the United Kingdom are in agreement with the terms of your note of the 10th December about the Joint Anglo-American Committee of Enquiry to report on the position of the Jews in certain countries of Europe and in Palestine.

I have [etc.]

HALIFAX

The Reparation Settlement and the Peacetime Economy of Germany

STATEMENT BY THE DEPARTMENT OF STATE

[Released to the press December 12]

1. The determination of the amount and character of industrial capital equipment unnecessary for the German peacetime economy which is to be made by the Allied Control Council prior to February 2, 1946 has the limited purposes of eliminating the existing German war potential and deciding the volume of available reparation from the three western zones of occupation.

a. The task of the Allied Control Council is to eliminate German industrial capacity to produce finished arms, ammunition, implements of war, aircraft, and sea-going ships, either by removing such capacity as reparation or by destroying it, and to effectuate a drastic reduction in the capacities of the metallurgical, machinery, and chemical¹ industries. The present determination, however, is not designed to impose permanent limitations on the German economy. The volume of permitted industrial production of a peacetime character will be subject to constant review after February 2, 1946; and final Allied decisions regarding restrictions to be maintained on German industrial capacity and production will not be made until the framing of the peace settlement with Germany.

b. While reparation removals will undoubtedly retard Germany's economic recovery, the United States intends, ultimately, in cooperation with its Allies, to permit the German people under a peaceful democratic government of their own

choice to develop their own resources and to work toward a higher standard of living subject only to such restrictions designed to prevent production of armaments as may be laid down in the peace settlement.

2. It is in the interest of the United States to abide strictly by the terms of the Berlin Declaration,² which imposes a severe reparation obligation on Germany in order to:

a. weaken effectively the economic base from which war industry could be derived until a peaceful democratic government is firmly established in Germany;

b. provide material assistance to United Nations countries which have suffered from Nazi aggression and which now face tasks of rehabilitation and reconstruction from the damage of war;

c. insure that, in the recovery from economic chaos left by war in Europe, the aggressor nation, Germany, shall not reconstitute a peacetime standard of living at an earlier date than the countries ravaged by German arms.

3. The security interest of the United States and its Allies requires the destruction in Germany of such industrial capital equipment as cannot be removed as reparation and as can only be used for the production of armaments or of metallurgical, machinery, or chemical products in excess of the peacetime needs of the German economy. It is not, however, the intention of the United States wantonly to destroy German structures and installations which can readily be used for permitted peacetime industrial activities or for temporary shelter. It will evidently be necessary to destroy specialized installations and structures used in shipbuilding, aircraft, armaments, explosives, and certain chemicals which cannot be removed as reparation. Non-specialized installations and structures in the same fields may have to be destroyed in substantial part, if not desired as reparation, in cases of integrated industrial complexes the layout

¹ The phrases "machine industry" and "machine-manufacturing industry" in the Berlin Declaration should be interpreted broadly. The parallel language from J.C.S. 1067 covers machine-tool, automotive, and radio and electrical industries. It is suggested that the phrases should be interpreted to cover "metal-working industry", or, in British terminology, heavy and light engineering. The words "chemical industry" should be interpreted to include particularly that part of the industry which is devoted, or can be readily converted, to war production, and to exclude the potash and salt industries, which should be included with extractive industries.

² BULLETIN of Aug. 5, 1945, p. 157.

of which is such as substantially to facilitate re-conversion from peacetime to war purposes at some later date. Finally, in removing equipment from plants declared available for reparation, no consideration should be given to withholding portions of the equipment desired by a reparation recipient in order to retain remaining installations and structures in more effective condition for peacetime uses. Within these limits, however, the reparation and security policies of the United States are not designed to result in punitive destruction of capital equipment of value to the German peacetime economy.

4. For the purpose of determining the industrial capacity of the peacetime German economy thus eliminating its war potential—the real basis on which the amount and character of reparation removals are to be calculated—it should be assumed that the geographical limits of Germany are those in conformity with provisions of the Berlin Declaration, i.e. those of the Altreich, less the territory east of the Oder-Neisse line.

5. The Berlin Declaration furnishes as a guide to removals of industrial equipment as reparation the concept of a balanced peacetime German economy capable of providing the German people with a standard of living not in excess of the European average (excluding the United Kingdom and the Union of Soviet Socialist Republics). In the view of the Department of State the Berlin Declaration is not intended to force a reduction in German living standards except as such reduction is required to enable Germany to meet her reparation payments. In effect, the Berlin Declaration merely provides that Germany's obligation to make reparation for the war damage which her aggression caused to other countries should not be reduced in order to enable Germany to maintain a standard of living above the European average. The Department of State further interprets the standard-of-living criterion to refer to the year immediately following the two-year period of reparation removals. For the purpose of meeting this requirement, German industrial capacity after reparation removals should be physically capable of producing a standard of living equivalent to the European average, in, say, 1948. Given the difficult problems of administration and economic organization which the German peacetime economy will still face in 1948, it may be doubted that industrial equipment remaining in Germany at that time will

in fact produce at full capacity, so that the standard of living realized in Germany is likely for some time to fall short of the European average.

6. It may be assumed that the European standard of living in 1948 would approximate the average standard of living over the period 1930–38. If this assumption be adopted the German standard of living chosen as a basis for estimating industrial capital equipment to remain in Germany could be arrived at by use of German consumption data in a year in which the German standard of living as measured by national-income indices most closely approximated the 1930–38 average in Europe. The German consumption standard in the year selected should be subject to adjustments upwards or downwards to compensate for any over-all difference between the German standard in the year selected and the European average. Past consumption records defined as suggested above are meant only as a general guide. They would require the following further adjustments:

a. Provision for change in population between year selected and 1948.

b. Adjustment to allow for notable deviations in pattern of German consumption in selected year from normal pattern.

c. Allowance to enable the German people to make good, at reasonable rates of reconstruction, the wide-spread damage to buildings in Germany, and to the transport system as scaled down to meet the requirements of the German peacetime economy. It is suggested that sufficient additional resources beyond those required to provide the adjusted output of the selected year should be left to overcome the building shortage in 20 years and to effect repairs to structures on rail and road transport systems over 5 years.

d. Sufficient resources should be left to Germany to enable that country, after completion of industrial removals and reactivation of remaining resources, to exist without external assistance. This topic is more fully treated below.

7. In planning the peacetime German economy, the interests of the United States are confined to the industrial disarmament of Germany and to the provision of a balanced economic position at the standard of living indicated. The United States does not seek to eliminate or weaken German industries of a peaceful character, in which Germany has produced effectively for world markets, for the purpose of protecting American markets

from German goods, aiding American exports, or for any other selfish advantage. Similarly the United States is opposed to the attempt of any other country to use the industrial-disarmament plan of the Berlin Declaration to its own commercial ends at the expense of a peacetime German economy. It is our desire to see Germany's economy geared to a world system and not an autarchical system.

8. In determining the volume of removals for reparation purposes, the United States should not approve removals on such a scale that Germany would be unable, owing to a shortage of capital equipment, to export goods in sufficient quantities to pay for essential imports. Thus capacity should be left to enable Germany to produce for export goods which yield enough foreign exchange to pay for the imports required for a standard of living equal to the average in Europe, excluding the United Kingdom and the Union of Soviet Socialist Republics. In this connection, the following points should be stressed:

a. In determining the amount of capital equipment to be retained in Germany, provision need be made for capacity to produce exports sufficient to pay for estimated current imports. No allowance should be made in German export industry to provide capacity to pay for externally incurred occupation costs, including imports of goods consumed by forces of occupation, and troop pay not expended in Germany.

b. The provision in the Berlin Declaration which stipulates that in organizing the German economy "primary emphasis shall be given to the development of agricultural and peaceful domestic industries" requires that maximum possible provision be made for exports from sources other than the metal, machinery, and chemical industries.

c. It is implicitly recognized in the Berlin Declaration that the policy of industrial capital-equipment removals and the restriction of exports in the fields of metals, machinery, and chemicals will require countries which have previously depended on Germany as a source of these products to obtain them elsewhere. Since capacity in the metal, machinery, and chemical industries in excess of German peacetime needs is to be transferred to countries entitled to receive reparation from Germany, it is expected that the industrial capacity lost in Germany will after an interval be

recovered in large part elsewhere in the world, and for the most part in Europe. But it should be borne in mind that the industry removed from Germany will in the main replace industry destroyed by the Germans and will not be sufficient to meet the pre-war demand. It should be emphasized, however, that any effort toward industrial recovery in Germany must not be permitted to retard reconstruction in European countries which have suffered from German aggression.

d. In determining the amount of capacity required to strike an export-import balance, the United States and other occupying powers cannot in fact guarantee that the export-import balance will be achieved. Their responsibility is only to provide reasonable opportunity for the attainment of balance at the agreed minimum level of standard of living. In fixing the amount of industrial capacity necessary for export, the provision of margins of safety is unnecessary if Germany's export potential is estimated on a reasonable basis. It should be noted that, if resources are left to enable Germany to make good her war damage and depreciation in housing and transport over certain numbers of years as suggested in paragraph 5*d*, extension of the period in which such deficits are liquidated would in case of need make some additional capacity available for production of export goods.

9. The necessity which devolves upon the United States and other occupying powers to finance imports into Germany and possibly to pay for such imports in the next few years does not arise in the first instance from the policy of reparation removals agreed upon at Potsdam. The German economy was brought virtually to a standstill by Germany's defeat, which produced an almost complete break-down of transport, economic organization, administration, and direction. If no removals of industrial capital equipment were attempted, Germany would still require United Nations aid in financing and possibly in paying for minimum imports necessary to prevent disease and unrest. Even after substantial capital removals have been completed, it is doubtful that the German economy can operate for some time up to the limits of remaining industrial capacity, due to the limited availability of fuel, food, raw materials, and the slow progress which can be made in filling the gap left by the Nazis in the economic and political organization of Germany. It is possible,

and even likely, that the physical transport of reparation removals will limit transport capacity available for recovery of the German economy and for the expansion of exports. It is in this respect only, however, that the reparation policy laid down in the Berlin Declaration may require the United Nations to finance German imports for a longer period, or to pay for them in greater degree, than if no provision for reparation from Germany had been made.

10. During the next two years, the United States and other occupying powers must finance minimum essential imports into Germany to the extent that exports from stocks and current production do not suffice to cover the cost of such imports. Since the Berlin Declaration makes no provision with respect to the German standard of living in the period of occupation, the occupying powers are not obliged to provide imports sufficient for the attainment in Germany of a standard of living equal to the European average. The present standard of supply in Germany, so far as the United States is concerned, is still governed by the "disease and unrest" formula. Under the conditions set forth in paragraph 9, it will prove desirable to extend the type and volume of imports into Germany not only because of our interest in avoiding disease and unrest endangering our occupying forces but also because of our interest in reactivating selected German export industries which would yield a volume of foreign exchange, and as far as possible to repay the past outlays of the occupying powers on imports. If, when the time comes for the conclusion of a peace treaty with Germany, there remains a backlog of unpaid imports, the occupying powers will have to decide whether or not to impose on Germany an obligation to pay off the accumulated deficit.

11. For the immediate future, and certainly until next spring, military-government authorities should concentrate on the repair of transport, emergency repair of housing and essential utilities, and the maximization of coal and agricultural production. Some coal will of course be required in Germany to effect the minimum repairs of transport, housing, and utilities called for in existing directives. As long as coal and raw materials remain in short supply in Europe, however, it is United States policy to make them available in maximum quantities for the revival of industrial output in liberated areas. The maximization of coal exports in accordance with existing directives

will make it impossible to allocate within Germany coal sufficient to attain a significant volume of industrial production, and over the coming winter it will limit activity even in fields directly related to repair of transport, housing and utilities, and to agriculture. If and when the coal crisis in Europe is surmounted—perhaps by next spring—it will be possible to review the situation and ascertain whether larger amounts of German coal can be allocated for essential industrial production in Germany, and in particular for the selective reactivation of German export industries. The possibilities in this direction will depend not only on the satisfaction of coal requirements in liberated areas but also on the success of military-government authorities in raising German coal output and restoring the German transport system. Meanwhile military-government authorities should survey the fuel and raw-material requirements of German industries capable of supplying essential civilian goods and of manufacturing for export so that, as soon as coal and raw materials can be made available, a program for selective reactivation of remaining industrial capacity in Germany can get under way. In formulating this program, attempt must be made to give priority to industries, which, in relation to expenditures of fuel and raw materials, will contribute most toward striking an ultimate export-import balance in Germany, as well as to the satisfaction of the most pressing internal requirements of the German economy.

12. The role of the occupying authorities in the process of German revival should, in general, be that of providing and setting the conditions within which the Germans themselves assume responsibility for the performance of the German economy. To this end, the occupying authorities should devote primary attention in planning revival to the development of German administrative machinery, not only in the fields of intrazonal production and trade but in interzonal and international trade, and in the application of common policies in transport, agriculture, banking, currency, taxation, et cetera. As one aspect of this process, de-Nazification should be satisfactorily completed during the present period. For the rest, great importance attaches to the conclusion within the Allied Control Council of agreements governing policies to be followed in various aspects of the German economy enumerated, and devising interzonal German machinery for their application.

STATEMENT BY THE SECRETARY OF STATE¹

[Released to the press December 12]

The Department of State has formulated a statement of its economic policy toward Germany for the guidance of the United States occupying authorities and has transmitted that statement to the War Department and to the governments of the other occupying powers. The fundamental policy was, of course, laid down at Potsdam. The purpose of this statement is to make clear the American conception of the meaning of the Potsdam Declaration² as it bears on present and impending economic issues in Germany.

The position of Germany in the present world picture must be looked at broadly against the whole background of recent history. For six years Germany has ruthlessly imposed war and destruction on Europe and the world. The Nazis who ruled there for more than a decade are now defeated, discredited, and have been or are being rooted from positions of power. The final stages of war caused vast movements of Germans within their own country, and peace has permitted the return to their homes of millions of foreign laborers who had been enslaved in German mines and factories. The insistence of the Nazis on continuing the war to the bitter end caused enormous destruction to German cities, transport facilities, and other capital of the country. These are the basic reasons for the present position of Germany, a position for which the Germans themselves are primarily responsible. German industrial production will for some time be low and her people ill-fed even if there were no occupation and no reparations program.

The Potsdam Declaration involves three stages in the return of Germany to normal economic conditions. The first covers the German economy from the surrender of the armed forces last May to at least the end of the present winter. In this interval our broad purposes are to insure that our policy in Germany makes the maximum possible contribution to recovery in areas recently liberated from Germany and, positively, to set up a structure that will provide for the future recovery of Germany in conformity with the principles agreed at Potsdam.

Within these broad objectives four principal immediate aims are these:

First, to increase to the greatest possible extent the export of coal from Germany to liberated

areas. The rate of economic recovery in Europe depends upon the coal supplies available over this winter; and it is our intention to maintain the policy of hastening the recovery of liberated areas, even at the cost of delaying recovery in Germany.

Second, to use the months before spring to set up and to set into motion, in conjunction with our Allies, the machinery necessary to execute the reparations and disarmament programs laid down and agreed at Potsdam. A considerable part of the statement just issued is directed to making clear the technical basis on which we believe the reparations calculation should be made. This calculation, which requires definition of the initial post-war German economy, must be completed before February 2, 1946.

Third, to set up German administrative agencies which would operate under close policy control of the occupying authorities in the fields of finance, transport, communications, foreign trade, and industry. Such agencies, explicitly required by the terms of the Potsdam agreement, must operate if Germany is to be treated as an economic unit, and if we are to move forward to German recovery and to the eventual termination of military occupation.

Fourth, to prevent mass starvation in Germany. Throughout Europe there are many areas where the level of diet is at or close to starvation. In terms of world supply and of food shipments from the United States, liberated areas must enjoy a higher priority than Germany throughout this first post-war winter. The United States policy, in collaboration with its Allies, is to see that sufficient food is available in Germany to avoid mass starvation. At the moment the calory level for the normal German consumer has been established at 1,550 per day. This requires substantial imports of foodstuffs into Germany, especially of wheat; and for its own zones of Germany and Berlin the United States is now importing wheat to achieve this level. The bulk of the German population has been eating more than 1,550 calories daily, either because they can supplement the ration from foodstuffs available in the countryside, or because their work justifies a ration level higher than that of the normal consumer, as in the case of coal min-

¹ Made on the occasion of the issuance of the preceding statement by the Department of State on reparation settlement.

² BULLETIN of Aug. 5, 1945, p. 153.

ers. In the major cities, and especially Berlin, however, a food problem exists and is particularly severe during the winter months. One thousand, five hundred and fifty calories is not sufficient to sustain in health a population over a long period of time, but as a basic level for the normal consumer it should prevent mass starvation in Germany this winter. If a higher level for the normal consumer is judged to be required and if it is justified by food standards in liberated areas, the ration level in Germany may be raised by agreement among the four occupying powers.

In short, this will be an exceedingly hard winter for Germany, although only slightly more difficult than for certain of the liberated areas. A softening of American policy toward the feeding of German civilians and toward the allocation of coal exports from Germany, while it would ease the difficult task of the four occupying authorities, could largely be at the expense of the liberated areas. We are, however, constructively preparing for the second stage in German economic policy, which should begin some time next spring.

In this second stage it is envisaged that Germany will gradually recover. Simultaneously with the removal of plants under reparation, plants will be earmarked for retention; and, as fuel and raw materials become available, German industry which is permitted to remain will be gradually reactivated and the broken transport system revived. Although coal exports from Germany will continue, the probable expansion in coal output should permit larger allocations in coal to the German economy, after the end of the winter. German industrial production will then increase and German exports should begin to approach a level where they can finance necessary imports and gradually to repay the occupying powers for their outlays in the present emergency period.

The third stage of economic development will follow after the period of reparation removals which under the terms of the Potsdam Declaration must be completed by February 2, 1948. The resources left to Germany at that time will be available to promote improvement of the German standard of living to a level equal to that of the rest of continental Europe other than the Soviet Union and the United Kingdom. Housing and transport will recover more rapidly than in the previous stages of economic development. In general, the German people will during this period recover control over their economy subject to such

residual limitations as the occupying powers decide to impose. These limitations, which will be determined by agreement among the occupying powers, should, in the opinion of this Government, be designed solely to prevent German rearmament and not to restrict or reduce the German standard of living.

In all these stages it must be borne in mind that the present occupying powers, as well as many other nations, have suffered severely from German aggression, have played a large role in the German defeat, and have an enduring interest in the post-war settlement of Germany. The settlement agreed at Potsdam requires the shifting of boundaries in the East, and the movement of several million Germans from other countries. That settlement also requires, in the interests of European rehabilitation and security, the removal from Germany of a large part of the industrial war-making capacity, which never served the German civilian but which, from 1933 on, served to prepare for war and to make war. In the words of the Potsdam Declaration:

"It is not the intention of the Allies to destroy or enslave the German people. It is the intention of the Allies that the German people be given the opportunity to prepare for the eventual reconstruction of their life on a democratic and peaceful basis. If their own efforts are steadily directed to this end, it will be possible for them in due course to take their place among the free and peaceful peoples of the world."¹

Merchant Shipping

Termination of United Maritime Authority Accession by Yugoslavia

The United Maritime Authority (UMA) established by the Agreement on Principles Having Reference to the Continuance of Co-ordinated Control of Merchant Shipping² will terminate March 2, 1946 in accordance with the decision of the delegates of the five member nations of the UMA setting September 2, 1945 as the date for "the general suspension of hostilities" and the date beginning the last six months of the UMA's authority over world merchant shipping. Article 9 of the agreement on principles, which was signed at London August 5, 1944, states that "The foregoing principles shall take effect on the coming into operation

¹ BULLETIN of Aug. 5, 1945, p. 154.

² BULLETIN of Oct. 1, 1944, p. 358.

of the central authority, and shall remain in effect for a period not extending beyond six months after the general suspension of hostilities in Europe or the Far East, whichever may be the later, unless it is unanimously agreed among the Governments represented on the duly authorized body of the central authority that any or all of the agreed principles may be terminated or modified earlier."

The central authority established pursuant to the agreement on principles came into operation on May 24, 1945, in accordance with article 7 (a) of the agreement and article 14 of the annex thereto. Article 7 (a) provides in part: "In order that the allocation of all ships under United Nations control may continue to be effectively determined to meet the requirements of the United Nations, a central authority shall be established, to come into operation upon the general suspension of hostilities with Germany." Article 14 of the annex provides, in part, that: "The Governments of the United States and the United Kingdom shall be responsible, in consultation with the other contracting Governments concerned, for determining the date of coming into operation of the central authority in accordance with paragraph 7 (a) of the Agreement on Principles."

The accession by the Government of Yugoslavia to the agreement on principles was effective October 10, 1945.

Commercial "Modi Vivendi"

Venezuela-Chile; Venezuela-Brazil

The American Ambassador at Caracas has informed the Secretary of State of the extension of the commercial *modi vivendi* between Venezuela and Chile and between Venezuela and Brazil.

The *modus vivendi* with Chile, originally signed October 11, 1941, was continued in force for an additional year from November 5, 1945 by an exchange of notes on that date at Caracas. In general, the agreement contains reciprocal provisions for unlimited and unconditional most-favored-nation treatment as regards customs duties and formalities, assurances of equitable treatment in respect to quotas and other import restrictions, and an undertaking by each of the contracting parties to promote the development of trade between the two countries.

The *modus vivendi* with Brazil, originally signed on June 11, 1940, was continued in force for an

additional year from September 27, 1945 by an exchange of notes on that date at Caracas. Under provisions of the original *modus vivendi* of June 11, 1940, imports of Venezuelan products into Brazil were accorded the benefits of the Brazilian minimum tariff, while those of Brazilian origin imported into Venezuela were accorded general most-favored-nation treatment in respect to customs matters.

Publications

of the DEPARTMENT OF STATE

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., who is the authorized distributor of Government publications. To avoid delay, address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

**Proposals for Expansion of World Trade and Employment.* Publication 2411. iv, 28 pp. 10¢.

Developed by a technical staff within the Government of the United States in preparation for an international conference on trade and employment and presented for consideration by the peoples of the world; contains analysis and text of proposals.

**Treaty Developments, 1944.* Publication 2408. iv, 36 pp. 10¢.

A compilation of data regarding signatures, ratifications, adherences, renewals, terminations, withdrawals, or other developments which occurred in 1944 with regard to treaties and other international agreements in force or pending with respect to the United States.

**Exchange of Specialists and Distinguished Leaders in the Western Hemisphere.* By Francis J. Colligan, Head of Leaders and Professors Section, American Republics Branch, Division of Cultural Cooperation, Department of State. Inter-American Series 27. Publication 2414. 14 pp. 5¢.

Feature of the program of the Department of State in cooperation with the governments of the other American republics for the promotion of better understanding among the peoples of the Western Hemisphere.

The Record of the Week

International Meetings

CALENDAR OF EVENTS

Far Eastern Advisory Commission	Washington	October 30 (continuing in session)
Reparation Conference	Paris	November 9 (continuing in session)
Preparatory Commission of the United Nations	London	November 24 (continuing in session)
Anglo-American Committee of Inquiry	Washington	December 10 (continuing in session)
Geodesy and Geophysics Conference: Executive Committee	London	December 10 (continuing in session)
International Commission of the Rhine River ¹	Strasbourg	December 12 (continuing in session)
Inland Transport Committee of International Labor Organization	London	December 13 (continuing in session)
Meeting of Foreign Secretaries: ² Great Britain, Soviet Union, and the United States	Moscow	December 15 (continuing in session)
Twenty-seventh Session of the International Labor Conference	Paris	October 15–November 5
Educational, Scientific and Cultural Organization of the United Nations ³	London	November 1–16
Executive Committee of Preparatory Commission	London	December 3
Technical Subcommittee on Educational Reconstruction	London	November 23–December 4
Maritime Preparatory Technical Conference	Copenhagen	November 15–December 1
International Whaling Conference	London	November 20–26
Bermuda Telecommunications Conference ⁴	Bermuda	November 21–December 4
International Council of Scientific Unions: Executive Committee	London	December 4–5
Coal Mining Committee of International Labor Organization	London	December 5–12

COMMENTS AND DEVELOPMENTS

The Far Eastern Advisory Commission. Thomas D. Blake, press officer for the FEAC and Assistant to Mr. McDermott (Special Assistant to the Secretary of State for Press Relations), said on December 6 that members of the FEAC have transmitted to their governments the outline of policy toward Japan which they believe should be followed. He disclosed that the representatives of nine nations besides the United States had accepted the document, which was prepared by a policy committee headed by Australian Foreign Minister Evatt. Several delegates, however, said they accepted it with "technical reservations" because their action must be confirmed by their home governments. Mr. Blake said that a reply from all nations was expected by next week when the Commission is scheduled to meet again prior to leaving for an inspection of Japan.

On December 13 the Commission met and discussed details of their trip to Japan. Mr. Blake explained that,

¹ See page 957.

² See page 954.

³ The Final Act of the Conference, the text of which was printed in the BULLETIN of Nov. 18, 1945, p. 801, was signed on Nov. 16.

⁴ For text of the telecommunications agreement, see p. 976.

in view of the make-up of the Commission, a great many of the delegates, including the ambassadors, would not go to Japan, but would remain in Washington. Therefore, he added, they have decided that the Commission would continue to operate in Washington while the remaining delegates are visiting Japan. With that in view, Mr. Blake continued, they set up the following six committees with chairmen and alternates so that one can be in Japan and one here: (1) Basic Policies and Objectives—chairman, Sir Frederic Eggleston of Australia (Dr. Evatt had been chairman); alternate, Jonkheer O. Reuchlin of the Netherlands; (2) Economic Problems and Reparations—chairman, Sir George Sansom of Great Britain; alternate, Erle R. Dickover of the United States; (3) Strengthening of Democratic Processes—chairman, J. S. Reid of New Zealand; alternate, Dr. W. Wejer of the Netherlands; (4) Constitutional Reform—chairman, Sir Girja Shankar Bajpai of India; alternate, Herbert Norman of Canada; (5) War Criminals—chairman, Dr. Liu Shih-Shnn of China; alternate, Manuel A. Adeva of the Philippines; and (6) Aliens in Japan—chairman, Francis Lacoste of France; alternate, T. T. Mar of China. Disclosing that the Commission expects to meet next week, Mr. Blake said that there is a possibility that they will hear from Edwin C. Pauley, chairman of the Reparations Committee, which is now in Japan; Ambassador Pauley expects to be back in

this country next week. He added that the Commission also expects to meet again with Maj. Gen. John Hildring, Chief of the Civil Affairs Department of the War Department.

On December 12 Mr. Blake announced that the Commission would fly to Hawaii, where they would board a Navy command ship for Japan December 28. On December 13 he disclosed that two members of the Pauley commission would join members of the FEAC at Hawaii and go with them to Tokyo.

The Preparatory Commission of the United Nations, which reconvened on November 24, continues to meet in London. It hopes to terminate its work before Christmas. The first part of the first session of the General Assembly is planning to convene in London on January 10, 1946. Two of the Commission's eight technical committees, those on the League of Nations and the Economic and Social Council, concluded their work during the week of December 7-14, and the work of a third, the Committee on Court and Legal Problems, is virtually complete. On December 15 the Commission voted 30 to 14, with 6 countries abstaining, to place the site of the United Nations headquarters in the United States.

The Executive Committee of the Preparatory Commission, consisting of representatives of Australia, Brazil, Canada, Chile, China, Czechoslovakia, France, Iran, Mexico, Netherlands, Union of Soviet Socialist Republics, United Kingdom, United States of America, and Yugoslavia, which held its first meeting in London on August 16, presented its final report at the first business meeting of the Preparatory Commission on November 26.

Inland Transport Committee. To study broad problems of working conditions and social policy in inland transport, a second industrial committee convened in London on December 13 for a meeting expected to last one week. The two delegates representing this Government are: William J. Patterson, Interstate Commerce Commissioner, and E. F. Penrose, special assistant, American Embassy, London. The employers' representative is Walter W. Belson of the American Trucking Association, and the workers' representatives are A. E. Lyon of the Railway Labor Executives' Association and Edward W. Staley, District Deputy of National Marine Engineers' Beneficial Association.

The Meeting of the Foreign Secretaries will provide an opportunity to the British, American, and Soviet Governments for informal and exploratory discussions on a number of matters of current concern to the three countries and also for an exchange of views on the subject of the control of atomic energy.

International Labor Conference. The Twenty-seventh Session of the International Labor Conference convened at the Sorbonne in Paris on October 15 and was concluded on November 5.

The United States Government's delegates were: Frances Perkins, formerly Secretary of Labor, and Elbert D. Thomas, United States Senator from Utah. The advisers were: Mary T. Norton, chairman of the Labor Committee of the House of Representatives; Carter Goodrich, of Columbia University; Katharine F. Lenroot, Chief of the Children's Bureau, Department of Labor; Clara M.

Beyer, Assistant Director, Division of Labor Standards, Department of Labor; Ralph J. Bunche, Associate Chief, Division of Dependent Areas, Department of State; Walter M. Kotschnig, Associate Chief, Division of International Organization Affairs, Department of State; and William L. Connolly, Commissioner of Labor of the State of Rhode Island. Otis E. Mulliken, Chief of the Division of International Labor, Social and Health Affairs, served as consultant on State Department policy.

The conference work centered upon the adoption of constitutional amendments to separate the ILO from the League of Nations and assure its authority to exist independently in the event of the dissolution of the League. One amendment confers the right of automatic membership in the ILO to any member of UNO which accepts the responsibilities of membership. A resolution was adopted on the Maintenance of High Levels of Employment during the Period of Industrial Rehabilitation and Reconversion. A recommendation was adopted concerning young workers which constitutes a Children's Charter. Another far-reaching recommendation concerns Minimum Standards of Social Policy in Dependent Territories.

The Governments of Italy, Iceland, and Guatemala were re-admitted to membership. Representatives of 48 member states attended the Conference and observers from three members of UNO which do not hold membership in the ILO attended by invitation. In an almost unprecedented step the Conference refused to accept the credentials of the individual designated to represent Argentine workers on the ground that he had not been properly chosen under ILO constitutional provisions.

In the election of members of the Governing Body for the next three years, Robert J. Watt was reelected a workers' member of the Governing Body and David Zellerbach an employers' member. This Government is automatically represented as one of the eight states of chief industrial importance occupying permanent seats.

At the ninety-seventh session of the Governing Body, which immediately followed the Conference, Mr. Zellerbach was elected employers' vice chairman of the Governing Body to succeed Sir John Forbes-Watson of the United Kingdom; Leon Jouhaux of France was elected workers' vice chairman to succeed Joseph Hallsworth of the United Kingdom; and Guildhaume Myrddin-Evans of the United Kingdom was elected chairman to succeed Carter Goodrich of the United States.

Executive Committee of Preparatory Commission of UNESCO. At the meeting in London on December 3 the British Minister of Education, Ellen Wilkinson, was elected chairman, and Professor Chen Yuan, delegate from China, and Bernard Drzewieski, delegate from Poland, were elected vice chairmen. Sir Alfred Zimmern was selected as Provisional Executive Secretary. The rules of procedure were considered and adopted and there was general consideration of the resolution passed on to the Preparatory Commission by the United Nations Educational and Cultural Conference and the work which needed to be done by the Preparatory Commission before the convening of the general conference and the establishment of UNESCO. The plan of work for the Executive Committee was considered, and proposal was made that special subcommittees be set up to deal with the different

problems. It was decided, however, unwise to proceed in this matter, at least at the time being. Hence the following resolution was passed calling for suggestions by the various governments and agencies indicating a plan of procedure:

"That delegations and secretariat put forward by January 15 concrete proposals for the program of UNESCO in the field of education, science and technology, humanities (including fine arts) and social sciences, and mass communication, as basis for discussion by Preparatory Commission or Executive Committee meeting in early February, and that decision be made at that time as to what committee organization would best advance the work of the Preparatory Commission."

Accordingly, the Preparatory Commission of UNESCO will meet in early February to receive the reports from the secretariat and from the various governments and to plan the work in detail in preparation for the meeting of the general conference.

Maritime Preparatory Technical Conference. Representatives of nearly 20 maritime nations met at Copenhagen from November 15 to December 1 to make the necessary technical preparations for the Maritime Session of the International Labor Conference. Because of housing conditions, the Danish Government made provisions for the delegates in a merchant ship taken over for the purpose. Meetings were at the Royal Theater.

The United States Government delegate was A. Ford Hinrichs of the Department of Labor, with the following advisers: Congressman Henry M. Jackson, House of Representatives; Commodore H. C. Shephard, United States Coast Guard; L. James Falck, Shipping Division, Department of State; Charles W. Sanders, War Shipping Administration; Erick Nielsen, War Shipping Administration; and Merrill Murray of the United States Group Control Council, Berlin.

The United States employers' delegate was M. S. Pennington of the National Federation of American Shipping, with A. C. Kemp, United States Lines, London, as adviser.

Workers' delegate for the United States was M. Hedley Stone of the National Maritime Union (CIO). His advisers were Andrew MacDonald, Marine Division of the Commercial Telegraphers Union, Baltimore, Md., and Frederick N. Myers of the National Maritime Union, New York, N. Y. Technical expert to the American Delegation was John L. Salter of the House of Representatives. L. James Falck of the Department of State served as secretary.

The agenda item agreed upon by the Preparatory Conference for the 1946 Maritime Session covers almost all aspects of maritime employment. The invitation of the United States Government that the session be held at Seattle, Wash., was accepted. The date is tentatively set for May 30.

An International Whaling Conference was held in London beginning on November 20 to discuss what modifications in the International Whaling Agreement of 1937 might be desirable with respect to the 1946-47 whaling season. The Conference was attended by representatives of Denmark, France, Mexico, the Netherlands, Norway, and the United States of America, and of the Dominions of Australia, Canada, Newfoundland, New Zealand, the

Union of South Africa, and of the United Kingdom. On November 26 a protocol supplementary to the existing agreement of 1937 as amended was signed. The representatives of the United States attending this Conference were:

Delegates—Ira N. Gabrielson, Director of the Fish and Wildlife Service, Department of the Interior and Remington Kellogg, Curator of Mammals, Smithsonian Institution; technical advisers—Donald D. Kennedy, Chief, International Resources Division, Department of State; John M. Allison, First Secretary, American Embassy, London; William E. S. Flory, International Resources Division, Department of State; Charles I. Bevans, Division of Research and Publication, Department of State; H. J. Deason, Fish and Wildlife Service, Department of the Interior; Commander James D. Craik, United States Coast Guard.

ILO Coal Mining Committee. The first tripartite industrial committee of the ILO, established in pursuance of Governing Body action last winter, convened in London on December 5 for a session of a week. The Delegation from the United States included Witt Bowden, labor economist of the Department of Labor, and George A. Lamb, Bureau of Mines, Department of Interior, as Government delegates. Employers' representatives were Robert T. Koenig of Ayrshire Collieries Corporation, Indianapolis, Ind.; and H. J. Connolly, Pennsylvania Coal Company, Scranton, Pa. Representing the workers of the United States were Thomas Kennedy and John T. Jones, both of the United Mine Workers of America, Washington.

The Charter of the United Nations. The Netherlands Ambassador deposited with the Department of State on December 10, 1945 the instrument of ratification of the Charter of the United Nations by the Government of the Netherlands. This action makes a total of 46 nations that have deposited instruments of ratification of the Charter. The Charter came into force on October 24, 1945, when the twenty-ninth instrument of ratification was deposited with the Department of State. For a chart on action taken on the Charter as of November 16, 1945, see BULLETIN of November 18, 1945, p. 818.

Bretton Woods Agreements. Arrangements are being made for the signing of the Bretton Woods agreements on December 27, 1945 on behalf of the United States and of such other countries signatory to the Final Act of the United Nations Monetary and Financial Conference as are prepared to sign the Fund and Bank agreements on that date.

International Civil Aviation Agreements. The Minister of the Union of South Africa informed the Secretary of State by separate notes received in the Department of State on November 30 that the signatures affixed to the interim and transit agreements on behalf of the Union of South Africa shall constitute an acceptance of those agreements and an obligation binding upon it. For a chart showing the status of the civil-aviation documents as of November 23, 1945, including the Interim Agreement on Civil Aviation, the International Air Services Transit Agreement, and the International Air Transport Agreement concluded at Chicago on December 7, 1944, see BULLETIN of November 25, 1945, p. 873.

Trade Negotiations Proposed

[Released to the press December 13]

The Department of State has sent invitations to the following countries to participate in negotiations sometime next spring for the reduction of trade barriers: Australia, Belgium-Luxembourg, Brazil, Canada, China, Cuba, Czechoslovakia, France, India, Netherlands, New Zealand, South Africa, Union of Soviet Socialist Republics, United Kingdom.

This preliminary meeting would be held prior to the general international conference on trade and employment which it is hoped may be convened for next summer.

This preliminary meeting, if it occurs, will have two purposes: (1) to prepare projects for consideration by the general conference, and (2) to negotiate agreements among the participating countries for the reduction of governmental barriers to trade.

The latter agreements, so far as the United States is concerned, would be negotiated under the Reciprocal Trade Agreements Act.

Those invitations have just been sent, and there has not yet been time for any of the countries concerned to reply to them. It is therefore not now possible to say what countries will participate or where the meeting or meetings will occur or when they will occur.

If and when the other countries concerned indicate their readiness to participate in negotiating with the United States for the reduction of trade barriers, the usual formal notice of intention to negotiate trade agreements will be published, and hearings will be called before the Committee for Reciprocity Information for the presentation of the views of all interested persons both as to concessions which may be sought from the United States and as to those to be asked from the other countries concerned.

Allied Missions Depart From Greece

[Released to the press December 12]

Announcement issued to the Greek press on the occasion of the departure of the Allied missions on December 9, 1945

The Allied missions which arrived in Athens last week have consulted with the Greek Government respecting arrangements for the conduct of their observation. They have also visited Salonika and Patras and have consulted with the Governor and Secretary General of Crete. They have met representatives of the main political parties and received from them their views.

The missions have prepared preliminary plans to organize the observation, and are leaving Athens on Sunday the ninth of December. They wish to express their keen appreciation of the kindly reception which they have received and for the helpfulness shown them by the ministers and officers with whom they have consulted. They look forward to their return, when they hope that the observation work which they are able to perform will be of assistance to the Greek Nation in carrying through the very important elections which are due to take place.

Investigation of the Ambursen Engineering Corporation's Activities in Ecuador

[Released to the press December 13]

An inquiry has been received by the Department concerning the cancellation by the Ecuadoran Government of a road-building contract between it and the Ambursen Engineering Corporation. The Ecuadoran Government has declared that the company in question was involved in a plot designed to overthrow that Government.

The Department of State a few weeks ago first received the report connecting the company with such a plot. It immediately undertook an investigation of the case, during which the secretary of the company was requested to call at the Department for a discussion of the matter, which he did on November 16 last. He was informed of the views of this Government with respect to political activity on the part of American firms and citizens operating in the other American republics. The results of the Department's investigation completely justified its action in emphasizing to the company official its policy regarding such political activity. A statement of this policy was made public by the Department on November 28, 1945 and contains the following paragraph:¹

"The Department of State disapproves of and opposes most strongly any interference or participation by American businessmen or companies in the local political affairs of the other American republics. Such activities are bad for American business and inevitably create serious problems which complicate international relations. The position of the Department is that any American citizen, organization, or company engaging in such political activities, including the making of campaign contributions, directly or indirectly, whether in the firm's name or by an American citizen as an individual, will forfeit such assistance from the Department or from our diplomatic missions abroad as they might otherwise expect and be entitled to. On the other hand, the Department and American diplomatic and consular officers abroad will extend 100 percent cooperation in protecting the legitimate rights and in advancing the legitimate interests of American business."

American diplomatic and consular officers in the other American republics were given instructions at the same time to be guided by the policy outlined in the statement of November 28.

Mark Ethridge Returns From Europe

The Secretary of State announced at his press conference on December 11 that Mark Ethridge had returned from Europe and that he had filed a report.² Mr. Byrnes said that he had determined not to make the report public at this time, adding that he would take the report to Moscow with him and possibly use it in a discussion with the Foreign Ministers of the United Kingdom and the Soviet Union.

¹ For complete statement, see BULLETIN of Dec. 2, 1945, p. 897.

² BULLETIN of Nov. 11, 1945, p. 767.

Agreement by the Governments Represented at the Bermuda Telecommunications Conference 1945

[Released to the press December 11]

The Delegations of the Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland, Canada, Australia, New Zealand, Union of South Africa, India, and Southern Rhodesia, assembled in Conference in Bermuda from November 21 to December 4, 1945, have reached agreement as follows:

ARTICLE I. RADIOTELEGRAPH CIRCUITS

SECTION 1. EXISTING DIRECT RADIOTELEGRAPH CIRCUITS

(i) *United Kingdom*: The circuits between the United States and the United Kingdom shall be retained, subject to examination as to the number required and to consultation between the two Governments before any of these circuits is discontinued.

(ii) *Australia, New Zealand and India*: One circuit shall be retained between the United States and each of these countries.

(iii) *Bermuda*: Both circuits between the United States and Bermuda may be retained, subject to the agreement of the Government of Bermuda.

(iv) *The Gambia, the Gold Coast and British Guiana*: The circuits between the United States and these British Colonies shall be discontinued.

SECTION 2. NEW DIRECT RADIOTELEGRAPH CIRCUITS

(i) *South Africa*: The Governments of the United States and of the Union of South Africa shall promptly undertake a joint study to determine whether traffic and other conditions justify the establishment of a direct circuit between the two countries.

(ii) *Jamaica*: One direct circuit shall be established between the United States and Jamaica, subject to the agreement of the Government of Jamaica.

(iii) *Palestine*: One direct circuit shall be established between the United States and Palestine, subject to the agreement of the Palestine Government.

(iv) *Ceylon, Federated Malay States (Singapore) and Hong Kong*: The Government of the United Kingdom in consultation with the authorities of the territories concerned, shall undertake a study to determine whether traffic or other conditions warrant the establishment of direct circuits between the United States and Ceylon, the Federated Malay States (Singapore) and Hong Kong respectively.

SECTION 3. GENERAL CONSIDERATIONS

The signatory Governments agree to present, for the consideration of the next International Telecommunications Conference, a statement, along the lines set forth in Annex A, relating to the general factors governing the establishment of direct radiotelegraph circuits.

SECTION 4. EXCLUSIVE ARRANGEMENTS

The signatory Governments shall neither support nor approve efforts by telecommunications companies subject to their respective jurisdictions to prevent or obstruct the establishment of direct circuits between the United States or British Commonwealth points and other countries, and will take such steps as may be appropriate to discourage any such efforts.

SECTION 5. TRANSIT TRAFFIC

The traffic normally handled over direct radiotelegraph circuits shall be restricted to traffic originating in and destined for the countries between which the circuits are operated. This does not preclude the use of such circuits as "voies de secours" in emergency. Transit traffic may be handled over direct radiotelegraph circuits in any case where it is agreed that it would otherwise be subject to excessive delay.

ARTICLE II. TELEGRAPH RATES

SECTION 6. CEILING RATES

(i) The ceiling rate between the United States on the one hand and the countries of the British Commonwealth on the other shall be 30 cents or 1s. 6d. per ordinary full rate word.

(ii) The ceiling rate between the United States on the one hand and the countries of the British Commonwealth on the other shall be 20 cents or 1s. per word for code (CDE) telegrams.

(iii) For categories of telegrams charged at lower rates, the existing international proportions of the ordinary rate shall be maintained.

(iv) These arrangements shall not involve any increase in existing rates.

SECTION 7. PRESS RATES

(i) The ceiling rate for press traffic between the United States and the countries of the British Commonwealth shall be 6½ cents or 4d. per ordinary word. No rate already below this ceiling of 6½ cents or 4d. per word shall be increased.

Note: The existing press rate within the British Commonwealth of 1d. per ordinary word may be extended to press traffic between the countries of the British Commonwealth and any other country.

SECTION 8. TERMINAL AND TRANSIT CHARGES

(i) The terminal and transit charges for traffic to which the ceiling rate of 30 cents or 1s. 6d. per ordinary full rate word applies shall be uniform.

(ii) For the purposes of applying these charges countries shall be classified in two categories, as follows:

(a) Countries of extensive area, such as Canada, Australia, India, South Africa, and the Continental United States.

(b) All other countries.

(iii) For traffic to which the ceiling rate applies, the terminal and transit charges for an ordinary full rate word shall be:

(a) A terminal charge of 4 cents or 2½d. for countries in category (a) and 2½ cents or 1½d. for countries in category (b).

(b) A transit charge of 3½ cents or 2d. for countries in category (a) and 1½ cents or 1d. for countries in category (b).

(iv) Terminal and transit charges for other classifications of traffic shall be proportional to the charges collected.

(v) No terminal or transit charge shall exceed the charges prescribed in paragraphs (iii) and (iv) above. Subject to this provision, existing terminal and transit charges at rates below the proposed new ceiling shall be maintained pending review by the interested parties.

(vi) Terminal and transit charges shall be regarded as payments for services rendered. The terminal charges are payable for traffic originating in or destined for a country. The transit charges are payable for traffic carried across the territory of a country for onward transmission beyond that country. All terminal and transit charges shall be included in the ceiling rate and shall not be additional thereto.

(vii) These arrangements shall not involve any increase in existing terminal and transit charges.

Note: Provided the charges accruing to the other international carriers are not affected, the division of the charges between an international carrier and its corresponding domestic carrier shall be of no concern to the other international carriers.

SECTION 9. DIVISION OF TOLLS

(i) In the case of direct radiotelegraph circuits, the portion of the tolls remaining after deduction of terminal and transit charges shall be divided equally between the transmitting and receiving organizations.

(ii) Reductions in payments for services over indirect routes resulting from the introduction of reduced rates shall be borne by those concerned in the same proportion as the present charges now divided.

(iii) The application of paragraphs (i) and (ii) of this Section to existing contracts and the specific arrangements to give effect shall be considered by the parties concerned.

SECTION 10. CURRENCY

In view of the fact that the gold franc system of telegraph charges and accounting is unsatisfactory in present conditions, the fixing of tariffs and the settlement of accounts between the United States and the countries of the British Commonwealth shall be governed by the following general principles:

(i) The Tariffs shall be drawn up in dollars and in sterling, and the tariffs so expressed shall be approximately equivalent at \$4.03 to £1.

(ii) In the event of an alteration in the average of the buying and selling rates for telegraphic transfer of dollars and sterling by more than 2 per cent from \$4.03 to £1, arrangements shall be made promptly, at the request of any country, for consultation on the adjustment of tariffs, which shall be drawn up in dollars and sterling and which shall be approximately equivalent at an agreed rate of exchange.

(iii) In any country other than the United States and the United Kingdom, the schedule of charges in local currency for messages shall at all times be the approximate equivalent of the tariffs drawn up in dollars and in sterling at the average of the buying and selling rates for telegraphic transfers of the currency in terms of dollars or sterling. Minor fluctuations in the exchange rates shall not of themselves require a modification of the schedule of charges in local currency. In fixing collection charges in its local currency, a country shall be entitled to vary the

precise equivalent of the dollar-sterling tariff to the nearest convenient unit.

(iv) The balance due as between the parties concerned shall be calculated in accordance with the tariffs drawn up in dollars and sterling, and settlement shall be made in the currency of the country of the creditor party on the basis of \$4.03 to £1. In the case of a request for consultation in accordance with paragraph (ii) of this Section, obligations incurred prior to the date of such request shall be settled on the basis of \$4.03 to £1. The basis of settlement of balances arising in respect of the period between the date of such request and the date when new tariffs as provided in paragraph (ii) of this Section become effective shall be a matter for agreement between the parties concerned. On and after the date when new tariffs become effective settlement shall be made on the basis of the new agreed dollar-sterling rate of exchange.

(v) In extending to other countries the new ceiling rate of 30 cents or 1s.6d. the United States and the countries of the British Commonwealth shall seek to achieve the establishment of a tariff drawn up on a dollar-sterling basis or, failing agreement on the part of the other country to adopt that basis, of tariffs giving effect as far as practicable to the principles underlying the dollar-sterling basis.

(vi) Should the International Monetary Fund provided for in the Bretton Woods Agreements be established, any necessary modifications in the provisions above should be considered by the authorities concerned.

SECTION 11. EFFECTIVE DATE

The arrangements provided in this Article shall be brought into force as soon as possible and not later than April 1, 1946. So far as practicable they shall be introduced as from a common date.

Note: All references in this Article to dollars and cents, and to pounds, shillings and pence, are to United States and United Kingdom currencies respectively.

ARTICLE III. PRESS COMMUNICATIONS

SECTION 12. PRIVATE POINT TO POINT CHANNELS FOR PRESS

Private channels for point to point press traffic shall be provided where the available channels are sufficient. Charges may be based on time, words, or cost, whichever may be agreed upon by the parties concerned.

SECTION 13. RECEPTION OF MULTIPLE ADDRESS PRESS RADIO COMMUNICATIONS

(i) The reception of press radio communications addressed to multiple destinations and transmitted from the United States or the countries of the British Commonwealth shall be permitted within their respective territories in all cases where the recipients are authorized by the sender to receive such communications.

(ii) The Governments of the United States and of the United Kingdom and Canada will permit within their respective territories the private reception of such communications either through the recipients' own radio receiving installation or through other private installations. In the United Kingdom such permission may be conditional on the service not being offered to third parties except in the case of recognized news agencies.

(iii) The Governments of Australia, New Zealand, South Africa, India and the United Kingdom on behalf of her colonies will arrange for the reception of such communica-

tions through the respective telegraph administrations and will retain the power to exercise their discretion as to the granting of permission to private recipients for the reception of such communications through their own installations or through other private installations.

Note: The position of Southern Rhodesia under Section 13 is reserved.

ARTICLE IV. CABLES

SECTION 14.

(i) In order to secure the optimum development of telecommunications services, and in view of the important strategic role which cables as well as radio play in a co-ordinated telecommunications system, research and development work in both cable and radio communication shall be fostered and promoted. The use of improvements such as submarine repeaters and multi-channel operation shall wherever possible be encouraged.

(ii) Inasmuch as the trans-Atlantic cables form an integral part of a world telecommunication system, uniform procedures and techniques shall be adopted in their operation. The present arrangements for mutual consultation and cooperative action with respect to the trans-Atlantic cables shall be continued.

ARTICLE V. STANDARDIZATION

SECTION 15.

The Governments of the British Commonwealth shall support a recommendation, to be made by the United States Government, to the International Telegraph Consultative Committee (CCIT) and the International Consultative Committee for Radiocommunications (CCIR) on the question of standardization of modern telecommunication methods along the following lines:—

In order to further the development and wide-spread use of modern telecommunication systems susceptible to interconnection and interchange of messages and in the interests of conservation of the radio frequency spectrum, it is proposed that the CCIT study the establishment of a standardized switching system for international telegraph communications based upon a standard five unit code of operation.

Further, it is proposed that the CCIR study the establishment of standards for:—

- (a) Carrier shift operation for single channel telegraph circuits.
- (b) Multi-tone operation for multi-channel telegraph circuits.
- (c) Performance specifications for phototelegraphic equipment to provide for interworking, including modulation equipment for radio transmissions.

ARTICLE VI. GENERAL PROVISIONS

SECTION 16. CONSULTATION

(i) The parties to this Agreement shall consult on all matters coming within its purview.

(ii) The parties to this Agreement shall, at the earliest stage, advise one another regarding all intended changes in rates on routes of interest to one another.

SECTION 17. ACCEPTANCE

By their approval of this Agreement, all Governments will accept it both on their own behalf and in respect of

all their colonies, overseas territories, all territories under their protection, suzerainty, or authority and all territories in respect of which they exercise a mandate, subject to any necessary reservations. The United States will endeavor to obtain the adherence of the Commonwealth of the Philippines to this Agreement.

SECTION 18. ENTRY INTO FORCE

This Agreement shall come into force as between the several signatory Governments upon the receipt by the United Kingdom Government of the respective notifications of their approval. The United Kingdom Government shall on receipt of such notifications inform all other signatory Governments.

JAMES CLEMENT DUNN

PAUL A. PORTER

GEORGE L. BAKER

(on behalf of the Delegation of the United States)

W. RAYMOND BIRCHALL

RODNEY A. GALLOP

R. J. P. HARVEY

(on behalf of the Delegation of the United Kingdom)

F. H. SOWARD

WALTER A. RUSH

(on behalf of the Delegation of Canada)

S. H. WITT

(on behalf of the Delegation of Australia)

P. N. CRYER

(on behalf of the Delegation of New Zealand)

E. C. SMITH

(on behalf of the Delegation of the Union of South Africa)

G. V. BEWOOR

(on behalf of the Delegation of India)

W. RAYMOND BIRCHALL

(on behalf of the Delegation of Southern Rhodesia)

W. W. SHAW-ZAMBRA

Secretary of the Conference

BELMONT MANOR HOTEL, BERMUDA

4th December, 1945.

ANNEX A

GENERAL CONDITIONS GOVERNING THE ESTABLISHMENT OF DIRECT RADIOTELEGRAPH CIRCUITS

(i) The desirability of establishing any direct radio circuit between two countries is a matter involving a judgment on its merits by the Governments of both the countries concerned. It is essential that conditions, particularly economic conditions, and the requirements of the users, at both ends of a proposed circuit should be fully considered in each case.

(ii) The governing conditions for the establishment of direct radio circuits are those of traffic and service, with the expeditious disposal of traffic as the main objective.

(iii) The existence of both radio and cables is essential in the general interest of world telecommunications as a whole. Provision of direct radio circuits should therefore have regard to existing channels of communication.

(iv) It is recognized that in certain cases a circuit might be deemed necessary for political reasons.

REPORT TO THE GOVERNMENTS

1. PURPOSE AND VENUE OF THE CONFERENCE

In pursuance of arrangements between the Governments of the United States, United Kingdom, Canada, Australia, New Zealand, Union of South Africa, India and Southern Rhodesia, the Conference was convened in Bermuda in November 1945, for the purpose of discussing telecommunications matters affecting the United States and the British Commonwealth.

2. AGENDA

The following agenda was agreed by the Governments prior to the arrival of the Delegations in Bermuda.

(i) Telecommunications rates for commercial, Government and press messages and division of the tolls; treatment of press instructional messages.

(ii) Future of transatlantic cables, maintenance of cables, including operation of cable ships.

(iii) Continuance of existing and possible establishment of new direct radiotelegraph or radiotelephone circuits.

(iv) Procedure for recording any agreement reached as a result of the discussions and exchange of information on methods of securing the implementation of such agreement.

3. OPENING OF THE CONFERENCE

The Conference was opened by His Excellency, the Acting Governor of Bermuda, the Hon. William Addis, at 2:30 p.m. on Thursday, 22nd November, 1945, after which a Plenary Session was held with the Hon. James Dunn, Chairman of the Conference in the Chair.

4. PROCEDURE

Four Committees were established as follows:

(i) Rates and Circuits Committee

Chairman: Mr. F. H. SEWARD (Canada)

(ii) Technical Developments Committee

Chairman: Major General F. E. STONER (U.S.)

(iii) Exclusive Arrangements Committee

Chairman: Mr. R. A. GALLOP (United Kingdom)

(iv) Cables Committee

Chairman: Rear Admiral J. R. REDMAN (U.S.)

These four Committees reported to Conference sitting as a Committee of the Whole with Mr. F. H. Seward (Canada) in the Chair. Their reports (annexed as B.T.C. (45) 1, 2, 3, and 4) as adopted by the Committee of the Whole were submitted to Conference in Plenary Session on Tuesday, 4th December, and approved.

5. FINAL ACT OF THE CONFERENCE

(i) At the Plenary Session on Tuesday, 4th December, the Delegations of the Governments represented at the Conference signed an Agreement covering the arrangements which they had agreed to enter into subject to confirmation by their respective Governments.

(ii) The Delegations of the Governments of the United States and the United Kingdom also signed a Protocol on Exclusive Arrangements.

6. CONCLUSION

The Conference formally concluded its deliberations at the close of the Plenary Session on Tuesday, 4th December, 1945.

JAMES CLEMENT DUNN

Chairman of the Conference

W. W. SHAW-ZAMBRA

Secretary of the Conference

BELMONT MANOR HOTEL,
BERMUDA

PROTOCOL

Between the Governments of the United Kingdom of Great Britain and Northern Ireland and of the United States of America covering

EXCLUSIVE TELECOMMUNICATIONS ARRANGEMENTS

The United Kingdom and United States Delegations agree that:

1. The United Kingdom Government will inform the Saudi Arabian Government that they understand that the United States Government are anxious that the Saudi Arabian Government should modify their agreement with the Eastern Telegraph Company in such a way as to permit of the erection by a United States Company of a radiotelegraph station, to be the property of the Saudi Arabian Government, for the purpose of operating a direct radiotelegraph circuit between Saudi Arabia and the United States, and that if the Saudi Arabian Government wish to avail themselves of this offer, the United Kingdom Government would not wish the agreement between the Eastern Telegraph Company and the Saudi Arabian Government to stand in their way. It is understood that the question of any further modifications of the concession required to permit of the operation of other direct radiotelegraph circuits by the Saudi Arabian Government would be for determination by the latter.

2. Should the Greek and United States Governments desire to establish a direct radiotelegraph circuit between their two countries, the United Kingdom Government will agree to promote the establishment of such a circuit as soon as the new United Kingdom body succeeds to the rights and obligations of Cable and Wireless Limited.

3. Should the United Kingdom Government desire to open direct radiotelegraph circuits with any countries with which United States companies may have exclusive arrangements, the United States Government will use their good offices with the United States companies and the Governments concerned to meet these requests.

4. Should it hereafter appear that any companies under the jurisdiction of the United Kingdom or the United States Governments hold exclusive arrangements in countries other than those referred to above, and should the United Kingdom or United States Government, as the case may be, desire to see established direct radiotelegraph circuits with such countries, the other Government will use their good offices with their companies and the Governments concerned to this end.

5. All direct radiotelegraph circuits set up under this

Protocol shall, subject to the concurrence of the Governments concerned, be open to transit traffic only on the conditions set out in the Agreement signed at the Bermuda Telecommunications Conference, 1945.

JAMES CLEMENT DUNN

PAUL A. PORTER

GEORGE P. BAKER

(Signed on behalf of the Delegation
of the United States)

W. RAYMOND BIRCHALL

RODNEY A. GALLOP

R. J. P. HARVEY

(Signed on behalf of the Delegation
of the United Kingdom)

W. W. SHAW-ZAMBRA

Secretary of the Conference

BELMONT MANOR HOTEL, BERMUDA

4th December, 1945

Visit of Brazilian Surgeon

[Released to the press December 12]

F. E. Godoy Moreira, who is visiting hospitals and medical centers in this country at the invitation of the Department of State, has been for the past eight years member for Brazil of the American Academy of Orthopedic Surgery.

His main interest during his present trip is to visit specialized hospitals and to confer with several eminent surgeons whose work is of special significance in his field. His itinerary includes Atlanta, Baltimore, Boston, Chicago, Cincinnati, Cleveland, Los Angeles, Madison, Memphis, Minneapolis, New York, Omaha, Philadelphia, Rochester, San Francisco, St. Louis, and other cities.

Military Mission Agreement With Costa Rica

[Released to the press December 10]

In conformity with the request of the Government of Costa Rica, there was signed on December 10, 1945 by Secretary of State Byrnes and Francisco de P. Gutierrez, Ambassador of Costa Rica in Washington, an agreement providing for the detail of a military mission by the United States to serve in Costa Rica.

The agreement will continue in force for four years from the date of signature but may be extended beyond that period at the request of the Government of Costa Rica.

The agreement contains provisions similar in general to provisions contained in agreements between the United States and a number of other American republics providing for the detail of officers of the United States Army or Navy to advise the armed forces of those countries.

Combined Production and Resources and Combined Raw Materials Boards Terminated

[Released to the press by the White House December 10]

Statement by the President of the United States and the Prime Ministers of Great Britain and Canada

We announced on August 29 that the Combined Production and Resources Board, the Combined Raw Materials Board, and the Combined Food Board would continue to operate on their existing basis for the time being. As then proposed, however, the situation has been further examined with a view to the earliest possible removal of all wartime controls of international trade.

We take this opportunity of paying tribute to the outstanding achievements of the Boards in the full and equitable utilization of resources for the effective prosecution of the war. This novel experiment in economic collaboration unquestionably hastened the moment of victory.

It is, however, our view that the work of the C.P.R.B. and C.R.M.B. on its existing basis should come to an end. It has accordingly been agreed that these two Boards terminate on December 31, 1945.

There remain, however, a few commodities which call for continued attention in as much as they are in global short supply in relation to the needs in consuming countries. For cotton textiles, tin, rubber, and hides and leather it is proposed that the committees set up under the Boards which are concerned with these supplies should be continued during such period as the shortage of supply in relation to needs renders necessary. It is also proposed that in all cases representation on the committees should be on an appropriate international basis having regard to their independent status following the dissolution of the Boards. In most cases committee membership already includes countries having a major interest in the problems involved. In the case of coal, there exists an organization in respect of Europe, but special considerations make it desirable that, for the time being, the coal committees in Washington and London now under the Boards continue in their present form. As regards some additional commodities in uncertain supply, the Boards may make suitable distribution arrangements before the end of the year to extend into 1946.

It has been concluded that conditions do not yet permit the dissolution of the Combined Food Board. Because many foodstuffs are still in world short supply and because of their close interrelationship, it is believed desirable to retain the Board as a supervisory and coordinating mechanism. The commodity committees of the Board will be abandoned as soon as the foodstuffs with which they deal cease to require international allocation. It is anticipated that the Combined Food Board itself will be dissolved on June 30, 1946, or sooner if conditions permit. However, a few of the commodity committees may have to be retained beyond that date to recommend allocations of products which continue to be in serious short supply. Arrangements were made last summer to associate other major exporting and importing countries with the work of the commodity committees. These committees will continue to operate on this principle.

Nobel Peace Prize to Cordell Hull

[Released to the press December 10]

The former Secretary of State, Cordell Hull, was awarded the Nobel Peace Prize in Oslo on December 10. Lithgow Osborne, American Ambassador to Norway, accepted the prize on behalf of Mr. Hull. Ambassador Osborne read a message from Mr. Hull to the president and members of the Nobel Committee of the Storting.¹

George Alexanderson Returns From China

[Released to the press December 6]

After spending the past 28 months in the China theater of operations, George Alexanderson, photographic specialist, Division of Cultural Cooperation, Department of State, has returned to the United States. Mr. Alexanderson has been on leave of absence from the New York *Times* for this assignment and will return to his former position shortly.

Mr. Alexanderson has been acting as adviser on news photography to the Chinese Ministry of Information on loan from the Department. He made suggestions for the reorganization of the photographic section of the International Department of the Chinese Ministry of Information, trained Chinese photographers in American technique on the coverage of news and feature picture stories, and organized laboratory processing facilities.

In addition to the training program Mr. Alexanderson held correspondent's credentials to the United States forces in China which gave him personal access to joint Sino-American Army activities. Some of the events he has photographed in connection with his work were Chinese Combat Command of the United States Forces, Salween campaign, Burma campaign, Central China campaigns, and the B-29 raids from China bases upon Japan and Japanese-controlled territory.

THE DEPARTMENT

Office of Budget and Finance²

Purpose. The purpose of this order is to increase the effectiveness of the budgetary and fiscal operations of the Department of State by the establishment of an office exclusively concerned therewith.

1 Establishment of the Office of Budget and Finance. An Office of Budget and Finance is hereby established under the general supervision and direction of the Assistant Secretary of State for Administration. It shall be responsible for the budgetary and fiscal policies and operations of the Department of State, including the Departmental Service, the Foreign Service, international commissions, organizations, and other bodies affiliated with the Department.

2 Organization. (a) The Office of Budget and Finance

shall be supervised by a director who shall be also the Budget Officer of the Department of State. He shall advise officials of the Department on matters of budgetary policy.

(b) The Office of Budget and Finance shall consist of the following organizational units:

- (1) Office of the Director and Budget Officer;
- (2) Division of Budget; and
- (3) Division of Finance

3 Functions of the Office of the Director and Budget Officer. The Office of the Director and Budget Officer shall be responsible for the following functions:

(a) Consultation with and advice to principal policy officials with respect to the budgetary feasibility and implications of their plans and programs and the means for placing them into effect from a budgetary standpoint;

(b) Presentation and defense of budgetary estimates to the Bureau of the Budget and the Congress;

(c) Development of the financial program and direction and supervision of the budgetary and fiscal operations of the Department.

4 Functions of the Division of Budget. The Division of Budget shall be responsible for all budgetary operations of the Department, including the Departmental Service, the Foreign Service, international commissions, organizations, and other bodies affiliated with the Department. These include:

(a) Development of budgetary plans and procedures for carrying into effect the financial program;

(b) Coordination, analysis, and compilation of budgetary data;

(c) Conduct of budgetary consultations within the Department;

(d) Preparation of estimates of appropriations and justification therefor for the Bureau of the Budget and the Congress;

(e) Drafting of legislation affecting budgetary and fiscal policy and operations;

(f) Assistance to the Director and Budget Officer in the hearings on the appropriation estimates before the Bureau of the Budget and the Congress;

(g) Budgetary control of appropriations through the allocation, and allotment of funds and positions within the limitations prescribed by the Bureau of the Budget and the Congress; and

(h) Preparation of budgetary reports for the information of officials of the Department and as required by the Bureau of the Budget and the Congress.

5 Relationship between the Division of Budget and the Division of Management Planning and Foreign Service Planning. The Division of Budget shall maintain close liaison and working relationship with the Division of Management Planning and the Division of Foreign Service Planning in order that financial plans will be integrated

¹ For text of Mr. Hull's message, see Department of State press release 922 of Dec. 10, 1945.

² Departmental Order 1359, dated and effective Nov. 21, 1945.

with the organizational and functional plans of the Department and the Foreign Service, as approved by the Assistant Secretary for Administration.

6 *Functions of the Division of Finance.* The Division of Finance shall be responsible for the fiscal operations of the Department, including international commissions, organizations, and other bodies affiliated with the Department, and the Foreign Service of the United States. These include:

(a) Development, design, and installation of systems, methods, procedures, and forms, for the control of fiscal operations;

(b) Maintenance of accounts and related records, including payroll and Departmental leave and retirement records;

(c) Audit of fiscal documents and accounts;

(d) Fiscal control of the obligation and disbursement of funds;

(e) Technical supervision of all field accounting and disbursing officers;

(f) The carrying out of fiscal arrangements necessary to the fulfillment of the financial obligations incurred by the United States through membership in international organizations;

(g) Collaboration with the Division of Foreign Service Administration in completing arrangements for the use by other departments and agencies of the Government of the fiscal facilities of the Foreign Service in the field;

(h) Collaboration with the Division of Financial Affairs, the Division of Foreign Service Administration, the Treasury Department, and other departments and agencies of the Government in connection with the procurement and sale of foreign exchange by Foreign Service establishments abroad;

(i) Liaison with the Treasury Department and the General Accounting Office in connection with fiscal operations; and

(j) Preparation of fiscal, statistical, and related reports as requested by officials of the Department, the Foreign Service, the Bureau of the Budget, the Treasury Department, the General Accounting Office, and the Congress.

7 *Transfer of positions, personnel, records and equipment.* The authorized positions, personnel, records and equipment of the former Division of Budget and Finance are hereby transferred to the Office of Budget and Finance and are to be assigned to the component units of that office as may be determined by its director.

8 *Routing symbols.* The routing symbols of the Office of Budget and Finance and of its several divisions shall be:

OB—Office of Budget and Finance.

DB—Division of Budget.

DF—Division of Finance.

9 *Previous Departmental orders amended.* Departmental Order 1301 of December 20, 1944, is hereby amended by the elimination of that section in Part XVII numbered and entitled, "1. Division of Budget and Finance." Departmental Order 1302 of January 1, 1945 is also amended herein.

JAMES F. BYRNES

Appointment of Officers

Norman Burns as Adviser in the Division of Commercial Policy, effective December 6, 1945.

Harold B. Minor as Chief of the Division of Middle Eastern Affairs, effective December 3, 1945.

Richard H. Heindel and R. E. Ward, Jr., as Special Assistants to the Director of the Office of International Information and Cultural Affairs, effective December 6, 1945.

Andrew B. Foster as Chief of the Division of Foreign Service Planning, effective December 4, 1945.

W. Pierce MacCoy as Chief of the Division of Departmental Personnel, effective November 26, 1945.

Harry W. Kurth as Director of the Office of Budget and Finance, effective November 21, 1945.

THE FOREIGN SERVICE

Consular Offices

The American Consulate General at Hankow, China, was reestablished on November 15, 1945.

The American Consulate at Tsingtao, China, was reestablished on November 27, 1945.

THE CONGRESS

Creating the All-American Flag Line, Inc., and To Assure the United States World Leadership in the Field of Air Transportation. S. Rept. 805, 79th Cong. 7 pp.

Sale of Certain Government-Owned Merchant Vessels. S. Rept. 807, 79th Cong., to accompany H.R. 3603. 23 pp. [Favorable report.]

Extending Operations of Export-Import Bank of Washington to Philippine Islands. S. Rept. 838, 79th Cong., to accompany H.R. 4683. 1 p. [Favorable report.]

Amending the Second War Powers Act, 1942, as Amended. S. Rept. 844, 79th Cong., to accompany H.R. 4780. 5 pp. [Favorable report.]

Disposing of Sundry Papers. H. Rept. 1331, 79th Cong. 2 pp. [State Department.]

Additional Copies of the Eighth Report of the House Special Committee on Postwar Economic Policy and Planning. H. Rept. 1335, 79th Cong., to accompany H. Res. 445. 1 p. [Favorable report.]

Inviting United Nations To Locate the Seat of the United Nations Organization Within the United States of America. H. Rept. 1348, 79th Cong., to accompany H. Con. Res. 75. 1 p. [Favorable report.]

United Nations Relief and Rehabilitation Administration Participation Bill, 1946. H. Rept. 1355, 79th Cong., to accompany H. J. Res. 266. 3 pp.

An Act To amend section 342 (b) of the Nationality Act of 1940. Approved November 21, 1945. H.R. 391. Public Law 227, 79th Cong. 1 p.

THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 339

DECEMBER 23, 1945

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BULLETIN

VOL. XIII • No. 339



PUBLICATION 2145

December 23, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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Immigration to the United States of Certain Displaced Persons and Refugees in Europe

STATEMENT BY THE PRESIDENT

[Released to the press by the White House December 22]

The war has brought in its wake an appalling dislocation of populations in Europe. Many humanitarian organizations, including the United Nations Relief and Rehabilitation Administration, are doing their utmost to solve the multitude of problems arising in connection with this dislocation of hundreds of thousands of persons. Every effort is being made to return the displaced persons and refugees in the various countries of Europe to their former homes. The great difficulty is that so many of these persons have no homes to which they may return. The immensity of the problem of displaced persons and refugees is almost beyond comprehension.

A number of countries in Europe, including Switzerland, Sweden, France, and England, are working toward its solution. The United States shares the responsibility to relieve the suffering. To the extent that our present immigration laws permit, everything possible should be done at once to facilitate the entrance of some of these displaced persons and refugees into the United States.

In this way we may do something to relieve human misery and set an example to the other countries of the world which are able to receive some of these war sufferers. I feel that it is essential that we do this ourselves to show our good faith in requesting other nations to open their doors for this purpose.

Most of these persons are natives of central and eastern Europe and the Balkans. The immigration quotas for all these countries for one year total approximately 39,000, two thirds of which are allotted to Germany. Under the law, in any single month the number of visas issued cannot exceed 10 percent of the annual quota. This means that from now on only about 3,900 visas can be issued each month to persons who are natives of these countries.

Very few persons from Europe have migrated to the United States during the war years. In the fiscal year 1942, only 10 percent of the immigration quotas was used; in 1943, 5 percent; in 1944, 6 percent; and in 1945, 7 percent. As of November 30,

1945, the end of the fifth month of the present fiscal year, only about 10 percent of the quotas for the European countries has been used. These unused quotas however do not accumulate through the years, and I do not intend to ask the Congress to change this rule.

The factors chiefly responsible for these low immigration figures were restraints imposed by the enemy, transportation difficulties, and the absence of consular facilities. Most of those Europeans who have been admitted to the United States during the last five years were persons who left Europe prior to the war, and thereafter entered here from non-European countries.

I consider that common decency and the fundamental comradeship of all human beings require us to do what lies within our power to see that our established immigration quotas are used in order to reduce human suffering. I am taking the necessary steps to see that this is done as quickly as possible.

Of the displaced persons and refugees whose entrance into the United States we will permit under this plan, it is hoped that the majority will be orphaned children. The provisions of law prohibiting the entry of persons likely to become public charges will be strictly observed. Responsible welfare organizations now at work in this field will guarantee that these children will not become public charges. Similar guaranties have or will be made on behalf of adult persons. The record of these welfare organizations throughout the past years has been excellent, and I am informed that no persons admitted under their sponsorship have ever become charges on their communities. Moreover, many of the immigrants will have close family ties in the United States and will receive the assistance of their relatives until they are in a position to provide for themselves.

These relatives or organizations will also advance the necessary visa fees and travel fare. Where the necessary funds for travel fare and visa fees have not been advanced by a welfare organization or relative, the individual applicant must meet these costs. In this way the transportation of

these immigrants across the Atlantic will not cost the American taxpayers a single dollar.

In order to enter the United States it is necessary to obtain a visa from a consular officer of the Department of State. As everyone knows, a great many of our consular establishments all over the world were disrupted and their operations suspended when the war came. It is physically impossible to reopen and to restaff all of them overnight. Consequently it is necessary to choose the area in which to concentrate our immediate efforts. This is a painful necessity because it requires us to make an almost impossible choice among degrees of misery. But if we refrain from making a choice because it will necessarily be arbitrary, no choice will ever be made, and we shall end by helping no one.

The decision has been made, therefore, to concentrate our immediate efforts in the American zones of occupation in Europe. This is not intended however entirely to exclude issuance of visas in other parts of the world.

In our zones in Europe there are citizens of every major European country. Visas issued to displaced persons and refugees will be charged, according to law, to the countries of their origin. They will be distributed fairly among persons of all faiths, creeds, and nationalities.

It is intended that, as soon as practicable, regular consular facilities will be reestablished in every part of the world, and the usual, orderly methods of registering and reviewing visa applications will be resumed. The pressing need, however, is to act now in a way that will produce immediate and tangible results. I hope that by early spring adequate consular facilities will be in operation in our zones in Europe, so that immigration can begin immediately upon the availability of ships.

I am informed that there are various measures now pending before the Congress which would either prohibit or severely reduce further immigration. I hope that such legislation will not be passed. This period of unspeakable human distress is not the time for us to close or to narrow our gates. I wish to emphasize, however, that any effort to bring relief to these displaced persons and refugees must and will be strictly within the limits of the present quotas as imposed by law.

There is one particular matter involving a relatively small number of aliens. President Roosevelt, in an endeavor to assist in handling displaced

persons and refugees during the war and upon the recommendation of the War Refugee Board, directed that a group of about 1,000 displaced persons be removed from refugee camps in Italy and settled temporarily in a War Relocation Camp near Oswego, N. Y. Shortly thereafter, President Roosevelt informed the Congress that these persons would be returned to their homelands after the war.

Upon the basis of a careful survey by the Department of State and the Immigration and Naturalization Service, it has been determined that if these persons were now applying for admission to the United States most of them would be admissible under the immigration laws. In the circumstances, it would be inhumane and wasteful to require these people to go all the way back to Europe merely for the purpose of applying there for immigration visas and returning to the United States. Many of them have close relatives, including sons and daughters, who are citizens of the United States and who have served and are serving honorably in the armed forces of our country. I am therefore directing the Secretary of State and the Attorney General to adjust the immigration status of the members of this group who may wish to remain here, in strict accordance with existing laws and regulations.

The number of persons at the Oswego camp is, however, comparatively small. Our major task is to facilitate the entry into the United States of displaced persons and refugees still in Europe. To meet this larger problem, I am directing the Secretary of State, the Attorney General, the Secretary of War, the War Shipping Administrator, and the Surgeon General of the Public Health Service to proceed at once to take all appropriate steps to expedite the quota immigration of displaced persons and refugees from Europe to the United States. Representatives of these officials will depart for Europe very soon to prepare detailed plans for the prompt execution of this project.

The attached directive has been issued by me to the responsible Government agencies to carry out this policy. I wish to emphasize, above all, that nothing in this directive will deprive a single American soldier or his wife or children of a berth on a vessel homeward bound, or delay their return.

This is the opportunity for America to set an example for the rest of the world in cooperation towards alleviating human misery.

DIRECTIVE BY THE PRESIDENT

[Released to the press by the White House December 22]

DECEMBER 22, 1945.

MEMORANDUM TO:

Secretary of State
Secretary of War
Attorney General
War Shipping Administrator
Surgeon General of the Public Health Service
Director General of UNRRA

The grave dislocation of populations in Europe resulting from the war has produced human suffering that the people of the United States cannot and will not ignore. This Government should take every possible measure to facilitate full immigration to the United States under existing quota laws.

The war has most seriously disrupted our normal facilities for handling immigration matters in many parts of the world. At the same time, the demands upon those facilities have increased many-fold. It is, therefore, necessary that immigration under the quotas be resumed initially in the areas of greatest need. I, therefore, direct the Secretary of State, the Secretary of War, the Attorney General, the Surgeon General of the Public Health Service, the War Shipping Administrator, and other appropriate officials to take the following action:

The Secretary of State is directed to establish with the utmost despatch consular facilities at or near displaced person and refugee assembly center areas in the American zones of occupation. It shall be the responsibility of these consular officers, in conjunction with the Immigrant Inspectors, to determine as quickly as possible the eligibility of the applicants for visas and admission to the United States. For this purpose the Secretary will, if necessary, divert the personnel and funds of his Department from other functions in order to insure the most expeditious handling of this operation. In cooperation with the Attorney General, he shall appoint as temporary vice-consuls, authorized to issue visas, such officers of the Immigration and Naturalization Service as can be made available for this program. Within the limits of administrative discretion, the officers of the Department of State assigned to this program shall make every effort to simplify and to hasten the process of issuing visas. If necessary, blocs of visa numbers may be assigned to each of the emergency

consular establishments. Each such bloc may be used to meet the applications filed at the consular establishment to which the bloc is assigned. It is not intended however entirely to exclude the issuance of visas in other parts of the world.

Visas should be distributed fairly among persons of all faiths, creeds and nationalities. I desire that special attention be devoted to orphaned children to whom it is hoped the majority of visas will be issued.

With respect to the requirement of law that visas may not be issued to applicants likely to become public charges after admission to the United States, the Secretary of State shall cooperate with the Immigration and Naturalization Service in perfecting appropriate arrangements with welfare organizations in the United States which may be prepared to guarantee financial support to successful applicants. This may be accomplished by corporate affidavit or by any means deemed appropriate and practicable.

The Secretary of War, subject to limitations imposed by the Congress on War Department appropriations, will give such help as is practicable in:

(a) Furnishing information to appropriate consular officers and Immigrant Inspectors to facilitate in the selection of applicants for visas; and

(b) Assisting until other facilities suffice in:

(1) Transporting immigrants to a European port;

(2) Feeding, housing and providing medical care to such immigrants until embarked; and

(c) Making available office facilities, billets, messes, and transportation for Department of State, Department of Justice, and United Nations Relief and Rehabilitation Administration personnel connected with this work, where practicable and requiring no out-of-pocket expenditure by the War Department and when other suitable facilities are not available.

The Attorney General, through the Immigration and Naturalization Service, will assign personnel to duty in the American zones of occupation to make the immigration inspections, to assist consular officers of the Department of State in connection with the issuance of visas, and to take the necessary steps to settle the cases of those aliens

(Continued on next page)

American Policy in Iran

UNDER SECRETARY ACHESON ANSWERS EX-AMBASSADOR HURLEY'S CHARGES¹

SECRETARY ACHESON. Mr. Chairman and Members of the Committee: I think the answer, the direct answer, to the Senator's question [Senator Vandenberg had asked previously, "What, if anything, did you do to wreck the policy in Iran?"] is that I did nothing to wreck the policy of the United States in Iran.

The reference of the General [Hurley] to the newspaper story of May 20, 1944 makes it clear that he is referring to an incident which took place in the early months of 1944, principally in my office. The story of that incident is as follows:

In December of 1943 General Hurley wrote a letter to the President. The President received this some time in January and sent it over to the State Department with a memorandum, the memorandum stating that the President was attracted by certain of the ideas and recommendations made. He saw certain practical difficulties in the way of carrying it out, and he asked for comments of the State Department and a recommendation as to what reply should be made.

That memorandum was then circulated by the Office of the Secretary to his principal assistants in the Department for their views upon it. One of the views expressed was that this memorandum should be sent to other departments of the Government as a guide to their conduct. The memorandum in general expressed, in one part, certain general principles and methods which should be followed by the United States in the Middle East, and in another part it made a recommendation that a British governmental corporation which had been used to a certain extent in the distribution of lend-lease goods should no longer be used.

When the memorandum came to me, I wrote a note to the Secretary stating my views.

SENATOR VANDENBERG. What was your position at the time?

SECRETARY ACHESON. I was Assistant Secretary of State, in charge of the economic work of the State Department.

My views were in part critical of the memoran-

dum in its general phases, and in the course of that criticism I used an expression which later came to the attention of the General and caused resentment on his part. I shall return to that in a moment, if I may.

So far as the recommendation about lend-lease was concerned, I pointed out that there was no difference in principle between what had been done, what was being done, and what General Hurley thought should be done; that the difficulties were wholly of a practical nature, and that those were being worked out and would be worked out.

That memorandum, with the other papers, went

IMMIGRATION—Continued from page 983.

presently interned at Oswego through appropriate statutory and administrative processes.

The Administrator of the War Shipping Administration will make the necessary arrangements for water transportation from the port of embarkation in Europe to the United States subject to the provision that the movement of immigrants will in no way interfere with the scheduled return of service personnel and their spouses and children from the European theater.

The Surgeon General of the Public Health Service will assign to duty in the American zones of occupation the necessary personnel to conduct the mental and physical examinations of prospective immigrants prescribed in the immigration laws.

The Director General of the United Nations Relief and Rehabilitation Administration will be requested to provide all possible aid to the United States authorities in preparing these people for transportation to the United States and to assist in their care, particularly in the cases of children in transit and others needing special attention.

In order to insure the effective execution of this program, the Secretary of State, the Secretary of War, the Attorney General, War Shipping Administrator and the Surgeon General of the Public Health Service shall appoint representatives to serve as members of an interdepartmental committee under the Chairmanship of the Commissioner of Immigration and Naturalization.

¹ Testimony before the Senate Committee on Foreign Relations on Dec. 10, 1945.

to my superiors in the Department, who then directed what action should be taken. That action consisted of a letter from the President to General Hurley again expressing sympathy and approval of many of the ideas in the memorandum, but referring to the practical difficulties also.

The part relating to lend-lease was sent to the Foreign Economic Administration, which had been working with us on the solution of this problem in regard to the distribution of lend-lease supplies. We were at that time pretty well on the way to a solution of the problem. We were also well on the way to the liquidation of lend-lease supplies for the Middle East, and in a few months all shipments from this country were returned to private-trade sources so that that whole matter was taken care of.

That seemed to me to be the end of the matter so far as I was concerned. However, a few weeks after that General Hurley, who was on his way back from the Middle East, came to my office and asked for a meeting on the subject. We had a meeting of several officers of the Department, including a young assistant of mine. The meeting progressed amicably for a while, and then General Hurley referred with some heat to a phrase used in my memorandum to the Secretary. He attributed this phrase to the young assistant, who was present. I pointed out to the General that how I conducted the internal affairs of my office was not of any concern outside of the office, and that all memoranda which bore my name were my responsibility, and this one in particular was. The General brushed that aside as a somewhat quixotic attitude on my part, and continued to attack the assistant.

The matter became heated. Temperature rose, and with it the voices of the contestants, until finally the General asked my assistant why he was not in uniform, fighting with the forces of this country.

That seemed to me a particularly undesirable and unfortunate observation, because the young man not only had tried very hard to get in the Army, but he had been in the Army and had been discharged because he had a serious ailment of the back, for which he was then preparing for a major operation. He shortly afterward had that operation and was laid up for the better part of a year.

I intervened in the debate at this point and drew the General's attention to the undesirability of his remark. The general temperature seemed to cool a bit. We got everyone seated and withdrew appeals

which had been made to trial by combat, and finally we worked out an agreement by which the General withdrew this unhappy remark and I apologized to the General for any observations in my memorandum which he might regard as personally offensive.

That seemed to solve the matter and we went on and had a very amicable discussion, and I never heard of the thing from that day until it was printed in Mr. Pearson's newspaper column on May 20th, and I never heard of it again until the General brought it up in his testimony.

We have met several times. We have had several discussions of the subject of lend-lease supplies, and I had not realized that I was supposed to have wrecked any policy.

That, Senator, is the story as I know it.

Further Statement by Under Secretary of State Dean Acheson

THE CHAIRMAN.¹ Mr. Secretary, you have heard the testimony of General Hurley on the Iranian matter. Would you mind telling us whether or not you in any wise defeated or blocked our policy in Iran? You heard his testimony that after the policy had been adopted, you had not carried it out, and you had blocked and defeated it. Will you tell us about that?

SECRETARY ACHESON. Yes, Senator. As I stated at the outset, there is no policy ever put into effect by this Government in Iran or elsewhere which I have blocked or destroyed or in any way interfered with; on the contrary, I have always attempted to carry out to the best of my ability the instructions which I have received.

I should like to say that I think there has been some confusion introduced into the matter of this memorandum. There are two things which have been discussed this morning which are quite separate. One is the early part of the General's memorandum, in which he recommended certain general principles and undertakings which this country should assume in the Middle East. In the latter part of it, he made some recommendations about lend-lease. Now, those things are separate and distinct. The first one, I criticized, as I thought it was my duty to do, and I did it vigorously. I thought that what the General recommended was going to get us into commitments which were beyond the capacity or the desire of this Government or of this people, and would get us into trouble. That view was submitted, and that is all I had to do with it.

¹ Senator Connally.

In so far as the President's letter constitutes an approval of that part of the General's report, it constitutes an overruling of my point of view. There were missions in Iran; there are missions in Iran today. There is a financial mission which is there, employed by the Iranian Government, made up of Americans who advise that Government on finance, taxation, budget, and so forth. There is a police mission, an American mission which is there advising and helping the Government with its police forces. There is a military mission there of American soldiers who are advising the Iranian Government on the organization of its Army. There is a public-health mission there under Dr. Avery, made up of Americans who are advising Iran on public-health matters.

There was established at Cairo an agricultural mission, members of which were sent up to Tehran to advise that Government on its agricultural problems, and from time to time other American experts were attached to the office in Cairo, who went to Iran and to other countries and advised those governments. Now, that policy has never been interfered with at all. In so far as any part of it fell within my duties, I helped it.

The idea expressed by the General that I am in favor of monopoly and imperialism and against democracy is utterly fantastic. No action of mine, no word of mine, has ever furnished any basis whatever for such a statement.

Now we come to the second thing, which is the lend-lease part of the General's report. The General did not understand, when he wrote his report, and has never understood, the facts about lend-lease in Iran. He was under the impression that all the American lend-lease goods were being distributed by a British corporation. That was not the case. There has never, I said, been any question of principle between the views which the General expressed in his letter and what was done and attempted to be done. There has been a great difference between the General and all people dealing with this in an understanding of what the facts were.

Before his report came in and afterward, American military lend-lease goods destined for the Iranian Government were handled by the U.S. armed forces. Also, lend-lease goods destined for the Iranian Government were handled by American officials. There was a small portion of the lend-lease goods to Iran which had to be put into commercial channels of distribution—consumers'

goods imported for the Iranian public; and how that was to be done was not a problem of the State Department, which is not an operating agency, but a problem of the Foreign Economic Administration; and people were sent to Iran to determine how it should be done.

It was discovered that in order to handle this comparatively small amount of goods it would require a very large force of Americans, who would have to be transported to Iran. There were great difficulties in the way of recruiting such a force; there were even greater difficulties in the way of transporting such a force to Iran. Therefore, the services of a British Government-owned corporation, the United Kingdom Corporation, were employed. That corporation received the goods, distributed them to the commercial distributors, received the proceeds, and turned the proceeds over to the United States. All the proceeds for those goods have been turned over and are in the possession of the United States.

When the General's memorandum came along it was desired to cut down the use of the United Kingdom Corporation, to use Americans as much as possible; but even more than any of those things, what we wished to do was to stop using lend-lease as the method for sending these goods to Iran for commercial distribution. The lend-lease mechanism had to be used during the taut days of the war when the only things which could be introduced into the Middle East were through government shipments because of the need of transport for war purposes; but when we could, we immediately began returning all of this trade to private channels; and a few months after this memorandum came along, that was accomplished; and it is now going forward.

The discussion on lend-lease was never a discussion of principle; it was never a discussion about matters which were within the control of the State Department. It was a practical matter of administration and operation—how could you take these goods which finally found their way to one of the ports in the Red Sea and send them to commercial distributors? If you could have done it by Americans—if they had been there—of course that was the way to do it. Nobody had any other idea than that was the way to do it, but there were not sufficient Americans. This other corporation was used; its use was cut down; and finally the whole operation was discontinued.

I think that is all I have to say.

A National Intelligence Program

RADIO BROADCAST

Participants

WILLIAM BENTON
Assistant Secretary of State for Public
Affairs
ALFRED MCCORMACK
Special Assistant to the Secretary of State
in charge of research and intelligence
STERLING FISHER
Director, NBC University of the Air

[Released to the press December 22]

ANNOUNCER: Here are *Headlines from Washington*:

Colonel McCormack of State Department Outlines Plan for a Unified Intelligence Service; Advocates a National Intelligence Authority To Plan a Government-Wide Intelligence Program and Insure That It Will Be Carried Out.

Assistant Secretary of State Benton Says an Adequate Intelligence System Is Essential to Our Foreign Information Service; Advocates Making a Maximum of Information on Other Countries Available to American Public.

This is the second of a new group of State Department broadcasts presented by the NBC University of the Air as part of a larger series on "Our Foreign Policy". This time Mr. William Benton, Assistant Secretary of State for Public Affairs, and Mr. Alfred McCormack, Special Assistant to the Secretary of State in charge of research and intelligence, will present the State Department's proposal for a unified intelligence system. Sterling Fisher, Director of the NBC University of the Air, will be chairman of the discussion. Mr. Fisher—

FISHER: A good many of us, when we hear the word *intelligence*, think of IQ's and mental tests. I think it would be well to start off, like Socrates, with a definition of the term. Do you want to try your hand at it, Mr. Benton?

BENTON: I think I ought to say first, Mr. Fisher, that my main interest in intelligence—as we are using the word here—is in its usefulness to my task of transmitting a maximum of information

to the people, through education, through reports on foreign affairs, through building better understanding of ourselves and of other peoples. As we said last week, this is now a fundamental part of American foreign policy.

FISHER: It's really too bad the word *intelligence* has so many meanings.

BENTON: Of course, there are many interpretations of intelligence, depending on where you sit and what you're looking at. I'm sure Hitler never thought Roosevelt intelligent. We tend to think anyone who disagrees with us is unintelligent. But that's not the sense in which we're using the term here. This program is mainly Colonel McCormack's program—the Washington Colonel McCormack, not the Chicago one. During the war Colonel McCormack has been Director of Intelligence for the Military Intelligence Service of the War Department. Let's ask him for his definition of *intelligence*.

MCCORMACK: Well, I might start off by saying what intelligence *isn't*. It isn't primarily—or even to any larger extent—the cloak-and-dagger stuff that you read about in the spy books; at least peacetime intelligence is not of the cloak-and-dagger type.

FISHER: What do you mean by "cloak and dagger" type, Colonel McCormack?

MCCORMACK: I mean the sort of thing the OSS—the Office of Strategic Services—did in making contact with Marshal Tito's partisans in Yugoslavia, or with the resistance movements of Burma and Siam.

FISHER: If you're going to start by describing what intelligence is *not*, Colonel, you might tell us a little about one of these cloak-and-dagger cases to show how wartime operations differ from peacetime intelligence.

MCCORMACK: The Yugoslav operation is a good example. In October 1943, Maj. Louis Huot of the OSS went to Bari, Italy, to establish a base. From there he went into Yugoslavia to make contact with Tito and arrange for a supply line into partisan territory. OSS located its supply base on the island of Vis off the Dalmatian coast, which the partisans held. A regular shipping line

was then extended to Vis, the ships traveling by night in the enemy-held waters. As many as 20 ships were en route at one time. From the coast, a fleet of heavy trucks carried supplies through territory heavily garrisoned by the Germans and into the hills, where the partisans had their bases. During the winter of 1943-44 OSS shipped in to the partisans about 19,000 rifles, 165,000 hand grenades, over 600 machine-guns, and thousands of bales of shoes and clothing. Quite an operation.

FISHER: Running guns is a good example, then, of what peacetime intelligence is *not*.

McCORMACK: Exactly. Our hardest job is to overcome this romantic but false idea of what intelligence work is. The notion that it is all gun-running, espionage, and sabotage is still very prevalent.

BENTON: Of course, Colonel, some good intelligence came out of that Yugoslav operation. I remember hearing how the OSS brought back valuable information about the German mine fields, the Yugoslav battle order, the relative strength of the partisans and the smaller army of General Mihailovic, and even about Marshal Tito and the members of his government.

McCORMACK: Yes, Mr. Benton, that was a good example of wartime intelligence work. But it is not the sort of intelligence work that you do in peacetime.

FISHER: But, Colonel McCormack, isn't the OSS—the so-called "cloak and dagger" outfit—the nucleus of the intelligence organization for which you are responsible in the State Department?

McCORMACK: No, Mr. Fisher, the operations end of the OSS—which during the war carried on secret intelligence, sabotage, and that sort of thing—has all gone over to the War Department, to be absorbed into normal peacetime work. What the State Department has taken over is the research and analysis organization—the outfit whose business it is, you might say, to turn information into intelligence—to take the mass of incoming material and get the truth out of it. That job—and I cannot emphasize this too strongly—is the critical and vital phase of intelligence work. Incoming information is good, bad, and indifferent, and it is useless unless it is pieced together, checked, and rechecked, so that the bad and the indifferent information is weeded out.

FISHER: It seems to me that we have arrived

at a rough description of what we mean by intelligence—even if we got there by the back door, as it were.

McCORMACK: I might put it this way: Foreign intelligence—and we are talking only about foreign intelligence—is the sum total of all information about foreign countries which is relevant to the policies and problems of the Government.

FISHER: Under that definition it would seem to me that intelligence covers the whole range of human knowledge.

McCORMACK: It does. It ranges from estimates, say, of the political intentions of a revolutionary party in some country to the most detailed kind of information, such as the depth of water at a particular point on a beach where conceivably military operations might some day occur.

FISHER: Mr. Benton, what would you add to that?

BENTON: I think, Mr. Fisher, we mean by intelligence—foreign intelligence—accurate, complete, and timely information about foreign countries. Whenever you have a problem, you need information—intelligence—to help you arrive at the right answer. In fact, you need that kind of intelligence, and also intelligence of the ordinary garden variety—common sense—to help you use your information. The best intelligence in the world—I'm talking about information now—doesn't help a man who won't believe it, won't apply it, won't use his common sense. The British, back in the late 1930's, had one of the best intelligence systems in the world—but I gather that their top policy-makers didn't use their intelligence about Germany. For that matter, I'm not sure that we have always used *our* intelligence to good advantage.

FISHER: Yes, we must add common sense to intelligence, Mr. Benton; we can all agree on that. But can you give us some *examples* of the sort of peacetime intelligence we'll be needing?

BENTON: Well, take the international information service that the State Department will be operating abroad. You can't do a first-rate job of that without knowing what foreign peoples want to know and understand about us. What, for example, confuses and puzzles them about America? We want to project the image of America abroad. We want to explain American foreign policy and the basis for it. This will be a contribution to world peace, because peace is based on *understanding*. But we can't succeed unless we

have a very good knowledge of the peoples to whom we are talking, and their attitudes.

McCORMACK: In other words, Bill, if you are going to broadcast to people, you must talk to them not only in their own language, but in terms they will understand. So you must know them.

BENTON: We must know them if we are to tell them about *us*. We can't address a vacuum. We must have a maximum flow of information coming in. And I believe the intelligence we get about foreign countries should be shared generally with members of the American public—to help *them* understand other peoples.

FISHER: And for this we need intelligence about our closest Allies as well as about other nations, Mr. Benton.

BENTON: Yes, Mr. Fisher; a good example of that is the proposed British loan. Our representatives in those negotiations were supplied with a thick handbook of facts—intelligence—about economic conditions in Great Britain, her resources, the effect of the war on her economy, the type of help she needed to get back on her feet, and what she could reasonably be expected to contribute to the bargain. When the negotiations began both the British and Americans were fully aware that the other party knew all economic factors involved. This was no poker game where any party could or had to maintain a bluff. Beginning with all the cards on the table, the negotiators were able to spend their entire efforts on coming to an agreement that would benefit both parties and the world at large.

FISHER: Mr. McCormack, what would you add to that?

McCORMACK: Well, I might state the objectives of our foreign intelligence—why we need accurate and complete information about foreign countries. The first objective is to know and understand the other countries and peoples of the world well enough to live with them in peace—to shape our policy, as it affects other peoples, toward the aims of peace. The second objective is to be prepared for war if it occurs.

BENTON: That's a mighty clear statement of our objectives, Al. I would like to point out one thing more: A great deal of the work that is done in gathering intelligence is prosaic, routine, day-to-day reading of newspapers, reports, radio broadcasts, technical journals, and so on. There's nothing very glamorous about this. But it's a basic part of a government's intelligence operation.

FISHER: That's where the professors come in, I suppose.

BENTON: There are some who make snide remarks about the "professors" in OSS and Government departments. The fact is, they are among the ablest intelligence officers we have—and in private life their research, their scholarly journals, and so on are gold mines of information for anyone who will take the trouble to read them and try to understand what they are saying. It's necessary to accumulate such a backlog of information that when you need a fact it's there—you know where to find it. And 90 percent or more of intelligence is freely available to anyone who wants it. You can get it in libraries and bookshops and on news-stands, from individuals or from our accredited mission abroad. It's *open* intelligence.

FISHER: Do you agree on this point, Colonel McCormack?

McCORMACK: Yes, most of the intelligence this Government needs to carry on its peacetime foreign relations is available here and in other countries. It may take hard work to find it and put it together, but it is there, in sources that are open and above-board. We don't have to drop in a secret agent by parachute to get the business, trade, political, and most of the other information we need.

BENTON: Other nations know that intelligence work is not as sinister as it sounds to some Americans. Other governments know that intelligence, quickly gathered and carefully analyzed, is the foundation for open and honest peacetime dealings. I believe that intelligence should be freely exchanged among nations. I hope other nations will have the sort of intelligence operations over here that will give them a real understanding of America. I'm not talking about military secrets here, of course, but about basic knowledge of America.

FISHER: There's one question that needs to be answered, though, Colonel McCormack. We had our intelligence agencies before the war. Didn't they serve their purpose pretty well?

McCORMACK: Well, Mr. Fisher, it's true that we have vast resources in this Government and this Nation for intelligence, but we were not making anything like full use of them before the war. For example: At least 80 percent of the information used in the air war against the Japanese homeland was physically within the United States when the war started. It was in the files of the Army,

Navy, various branches of the Government—in the files of banks, insurance companies, engineering and construction companies, business firms of all kinds, religious organizations, and even in the minds and private records of individuals. But to find all that information, put it together, and make it mean something took about two and a half years. If we are threatened with war again, we are not likely to have two and one-half years for preparation of essential intelligence. We may not have even two and one-half months. Therefore, we propose to have our intelligence ready for any emergency.

FISHER: I'm sure all Americans will second that.

McCORMACK: I should add this: Our physical scientists, our social scientists—our specialists and experts—know a great deal about the physical world and the peoples of the world, but we do not know everything. When something new comes along, like the atomic bomb, new needs for intelligence arise. And on any subject that you want to name there is still a lot to be learned.

BENTON: I can illustrate that point. Not long ago a Government geographer made a map of the world's mineral resources, in terms of our knowledge of them. Where we were well informed, he drew the area in black; where our information was only fair, he used dark gray; and where we had comparatively little information, light gray. And most of the surface of the earth was in light gray.

McCORMACK: And that's a pretty serious matter, Bill, when you consider the importance of the rare metals.

FISHER: Did our intelligence compare favorably with that of other countries during the war, Colonel McCormack?

McCORMACK: Very favorably, I would say. We made our mistakes in intelligence, of course, just as in other fields. We were slow in getting started, but at the critical periods of the war our intelligence was good. On the whole, the intelligence of the Allies in Europe was considerably better than that of the Germans, and in the Pacific it was vastly superior to that of the Japanese. During the last year of the war we actually knew more about the Japanese than they knew about themselves, in such important matters as the dispositions and activities of their armed forces and their shipping, for example.

FISHER: Has the Pearl Harbor investigation brought out any important lessons about intelligence?

McCORMACK: Well, it has given further support to one basic doctrine of the Army and Navy, namely, that in intelligence work the thing that you must worry about is not so much what you think the enemy is going to do, but what he might be capable of doing. You must prepare yourself against everything that he has the capacity to do, and not merely what you think he is going to do.

BENTON: What concerns me most is the need for more accurate and up-to-the-minute information on the things that people *live by*—their cultural traditions and their current attitudes. That's not cloak-and-dagger stuff, and it may sound dull, but it's important to us—not only in our broadcasting and information work, but for the State Department in formulating foreign policy.

FISHER: In other words, you can't have a sound policy without a sound basis for it.

BENTON: That's right—and that includes accurate information about the peoples as well as the governments of other countries.

FISHER: Well, gentlemen, you've certainly established the need for good intelligence. The key question, then, is how to get it—how to improve our facilities for gathering information and channeling it to the people who need it. Colonel McCormack, I understand that you're in favor of a unified intelligence service.

McCORMACK: That, Mr. Fisher, is like saying you are for sunshine or mother-love. Everybody is for unified intelligence. There are, however, a number of different views as to how to go about it.

FISHER: Do you support the proposal for one big intelligence agency, to take in all those now in the field?

McCORMACK: No, and I consider that proposal unrealistic, because the subject-matter of intelligence is too varied and too complicated, and because intelligence work must be done where the decisions are made, and by those who are specialists in each field. No one would think of taking medical intelligence, for example, away from the Medical Corps and putting it in some big agency. Certainly the Army and Navy would not turn over military intelligence to a central agency. I have always thought that the proposal for one big intelligence organization, separated from the operating departments of the Government, was like a proposal that all the lawyers in Washington

should turn over the preparation of their cases to a central organization.

FISHER: But how, then, do you propose to get unified intelligence?

McCORMACK: I would propose to get it by using the existing resources of all the Government departments—by a system that will encourage the research and intelligence organizations of the Government to do their best job possible in their own fields and to make the results freely available to one another.

FISHER: You'd have a sort of coordinating agency, Colonel?

McCORMACK: Let's steer clear of that word *coordinate*, Mr. Fisher, or Bill here may throw the old gag at me about a "coordinator to coordinate the coordinators". That concept of a "coordinating agency" is based on the mistaken idea that all you have to do is set the facts to flowing like water through a pipe, and then sit around and coordinate them. Actually, it's not that easy.

FISHER: But you're against creating one central agency even to process all intelligence.

McCORMACK: I'm against the idea that you have one place into which all information flows, yes. To me that seems impracticable. In the first place, you would have to have a perfectly enormous organization; and second, you cannot and should not remove the intelligence operation from the agencies where day-to-day policy decisions have to be made.

FISHER: How would you handle it, then?

McCORMACK: I would set up a mechanism to make sure that anyone in the Government who needs intelligence gets it. The nature of this business is such that everybody is everybody else's customer. I want to see that intelligence flows easily from one department to another. I think the collection and basic analysis in each field of intelligence should be assigned to the agency having the primary responsibility in that field. But it should collect and analyze the information in that field required by all other agencies and should make it available to all agencies that have need for it. Once an intelligence agency becomes aware of the fact that it has another agency as a customer, it generally does a good job of tailoring its work to the needs of that customer.

BENTON: That's the job that most needs doing—defining the market for intelligence within the Government. And let's hope the Government will use the information—with a lot of common sense!

McCORMACK: Take weather intelligence. Very few people realize how important that is. The job of getting the information rests with the Weather Bureau and, especially in wartime, with the Army Air Forces and the Navy. But the customers for weather intelligence include the Civil Aeronautics Board, the Maritime Commission, various agencies in the Department of Commerce, shipping and air-transport companies, and, in fact, every agency engaged in foreign operations.

BENTON: I think, Sterling, that you might ask Colonel McCormack about the Department's specific proposals.

FISHER: By all means. Exactly what kind of organization *do* you propose, Colonel?

McCORMACK: We propose to create a national intelligence authority, presided over by the Secretaries of State, War, and Navy, with the Secretary of State as chairman. The heads of other departments and agencies would be brought in when problems that concern them are up for discussion, but the State, War, and Navy Secretaries would be permanent members.

FISHER: That sounds like a centralized agency to me.

McCORMACK: We do propose to unify and centralize the *planning* of intelligence work in the Government, and the job of seeing to it that the plans are carried out, but not by setting up a large and expensive agency on top of those that are already operating.

BENTON: In other words, the plan is to harness all intelligence resources in the Government by getting more effective cooperation among departments.

McCORMACK: That's right. And by making sure that every field of intelligence is being covered by the agency best able to do the job.

FISHER: Colonel McCormack, who would actually run the authority? The Secretary of State would surely be too busy to give it much of his time.

McCORMACK: There would be a director or executive secretary, with a full-time staff drawn from the interested departments, who would be responsible for the preparation and execution of the intelligence program.

FISHER: From what you say about the range of subjects that foreign intelligence covers, your executive and his staff will have a big job.

McCORMACK: They would—too big a job to be done by a single staff. We therefore propose to

set up interdepartmental working committees for each of the principal fields of intelligence—political, intelligence, military, economic, geographic, scientific and technological, sociological, et cetera. In each case the department of primary interest would furnish a full-time chairman and any necessary staff. The job of each committee would be to plan the intelligence program in its own field on a Government-wide basis; to allocate responsibilities for the work among the agencies best able to do the work; to insure that the results are available to all who need them; and to provide a continuous mechanism for reviewing the state of our intelligence on any subject, and for recommending means for improving it. It would be the job of the executive secretary and his staff to review the work of these committees and bring it together, so as to insure that the Government's program covers the whole field of foreign intelligence, and that every participating agency is doing the job assigned to it.

FISHER: Let's take the sociological committee. Who would be represented on that?

McCORMACK: The State, War, and Navy Departments, as well as several others—say Commerce, Labor, Agriculture, the Federal Security Agency, possibly others.

FISHER: And what sort of intelligence would the sociological committee be interested in? The study of groups in foreign countries?

McCORMACK: Yes, and various other types of practical knowledge—such measurable facts as population, size and rate of growth, birth and death rates, racial characteristics, military manpower, migration, education, health and living standards, family structure, and many other things.

FISHER: Colonel McCormack, wouldn't there also be some types of intelligence operations designed to protect us from foreign spies and saboteurs?

McCORMACK: Yes, that is called "security" intelligence, and there would be similar arrangements for it. Take the matter of controlling the movement of aliens in and out of the country. Here several departments are involved. State is concerned with passport control and visas; FBI with keeping subversive aliens out of the country; Treasury with violations of the customs and revenue laws. The intelligence authority would provide machinery for all those agencies to cooperate in planning their intelligence jobs.

BENTON: I think we should make this clear, Al: The proposed authority will be concerned only with foreign intelligence—that is, those aspects affecting our relations with other nations. It will steer clear of domestic matters.

McCORMACK: That's right, Bill. It will have nothing to do with policing or law enforcement—and that's as it should be, because a foreign national intelligence organization has no business meddling in our domestic affairs.

FISHER: Now, Colonel McCormack, would this proposed national intelligence authority have any operations of its own?

McCORMACK: It might. There are some service functions that can be performed by one agency on behalf of everybody, serving many departments: the Foreign Broadcast Intelligence Service, for example, which listens to foreign radio broadcasts. That is a very important source of information about the governments and people of other countries—about what they are doing and thinking. It yields information that can be obtained in no other way, and you get the information without delay.

FISHER: I understand the Foreign Broadcast Intelligence Service nearly expired about two weeks ago, Colonel, for lack of funds.

McCORMACK: It was a close call. We almost lost one of our most valuable intelligence agencies. The State Department didn't have funds to take it over, but G-2—Military Intelligence—has arranged to carry it until June 30. After that, perhaps the national intelligence authority—or the State Department—may be able to take it over.

BENTON: We need those reports on foreign radio for use in our own broadcasting. They are indispensable. And I'm sure Military Intelligence appreciates the importance of radio monitoring after the experience of the war.

McCORMACK: Yes, Bill, during the war it gave the answer to many an intelligence puzzle, sometimes in a wholly unexpected way. For instance: Early this year we were trying hard to find out where the Japs had hidden their tetra-ethyl lead plants—their source of ethyl fluid for aviation gasoline. To make that product you need sodium and lead—the two essential ingredients. Well, the boys in G-2 spotted a Jap radio announcement that the Emperor had decorated a number of scientists for their war work. There were two chemists on the list who lived in the same town—the small and not very important city of Koriyama. And here

was the clue: One chemist worked for the Nippon Soda Company, the other for the Mitsubishi Lead Company. So Koriyama could be producing sodium and lead, and if so, the odds were that it produced ethyl fluid. General LeMay sent his boys up to take pictures; the oil experts studied them; and there was the ethyl plant, big as life. But not for long. It was rubble and ashes after one visit from the B-29's. But it would be standing today if we had missed the clue in the broadcast.

FISHER: That's a striking example of war intelligence. But to come back to the problem of unifying our intelligence work: Colonel McCormack, where would your Research and Intelligence Office in the State Department fit into the picture?

MCCORMACK: It will fill a long-felt need for such services in the Department. In doing so, it will use its own sources of information as well as the intelligence reports of other agencies. We couldn't possibly have a staff large enough to do the whole job ourselves. We must rely on the Army, Navy, Agriculture, Commerce, and other agencies for much of the information we need.

FISHER: Do the Army and Navy intelligence reports come to the State Department automatically, or do you have to ask for them?

MCCORMACK: Most of them are channeled to us. But we don't pretend to be a clearing house for *all* intelligence. We get only such reports as we can use, on a regular basis. Under the proposed intelligence authority, the State Department will be represented on most of the working committees, since its interests are so wide. So it will be in close touch with everything that goes on in the intelligence field.

BENTON: Of course, there are precedents for this. An interdepartmental committee on intelligence—the Joint Intelligence Committee—was set up during the war.

MCCORMACK: Yes, and it worked well, Bill, as far as it went. It was, however, an agency of the Joint Chiefs of Staff, designed to serve their particular needs. It was not intended—and it did not attempt—to do a complete intelligence job on a Government-wide basis.

FISHER: Hasn't the State Department had some differences of opinion with the Army and Navy intelligence people, Colonel, when it came to defining the scope of the proposed new authority?

MCCORMACK: I wouldn't put it that way, Mr. Fisher. The subject is complicated, and naturally there are different views—not only among the de-

partments but within each one—as to the machinery that will work best. The Secretary of State, as directed by the President, proposed a plan. Later he modified it in a number of respects to meet the views of the Army and Navy. The modifications didn't hurt it; I think they improved it. One or two points are still under discussion, but I hope that complete agreement will soon be reached, and that the final result will be the best thought of three departments. If it is, the plan will have good promise of success. The important thing—and this I stress—is that the departments are agreed on the objectives and are working hard to find the best answer for the Government as a whole.

FISHER: Now, Mr. McCormack, how much is all this going to cost? That's a question the House Appropriations Committee will ask you.

MCCORMACK: Well, Mr. Fisher, that is a very searching question. I would like to answer it in two parts: How much we can afford to pay for good intelligence, and how much we are now planning to spend.

As to the first question, suppose that during the 1930's the democratic powers had really understood the capabilities of Hitler's Germany and that we had all armed ourselves, and shaped our foreign policies, to prevent the course of action that led to war. How much could we have afforded to pay for intelligence which would have averted the war? Well, if we had spent 50 billion dollars on it, it would have been dirt cheap.

So, I say that this country can afford to spend for good foreign intelligence a great deal more money than good intelligence will ever cost.

As for the more practical question—how much we are planning to spend—the State Department's intelligence program for the next fiscal year calls for about 6 million dollars. Maybe that is too little, and if it is, we shall go to the Congress and ask for more. But for the time being we are proposing to plan the work on a long-range basis, to start on a modest scale, and to make the fullest use of the Government's existing resources for intelligence work.

BENTON: Six million dollars per year sounds like a modest sum to me, when you consider that a major war costs more than that per hour.

FISHER: To summarize what you have said, then, we stand in need of a good, efficient, unified intelligence service. It won't all be like the war-

(Continued on page 1006)

Civilian Requirements From War to Peace: The Middle East Supply Center

BY FRANCIS BOARDMAN¹

ON THE EVE of November 1, 1945 some 200 British and American economic officials attended a farewell banquet at Shepheard's Hotel in Cairo in honor of the successful completion of a unique venture in international cooperation. For four and a half years the Middle East Supply Center had supervised the imports, and to some extent the production, of 18 Middle East countries in order to conserve Allied shipping and resources and at the same time to prevent economic break-down in this sensitive crossroads area of 70 million inhabitants by insuring that sufficient civilian supplies were available. The next day, by common consent of its British founders and their American colleagues, the Middle East Supply Center would be dissolved.

When M.E.S.C. was established in April 1941, German troops were driving through Greece; the Italian Army was contesting outnumbered British forces in Libya and Ethiopia; Axis planes were raiding Cyprus and Palestine; and Axis agents and propaganda were becoming increasingly active in Iraq and Iran. The pre-war channels of supply to the Middle East had been severely disrupted and clogged with military traffic so that the area was acutely short of the essential manufactured goods which it had customarily imported. Europe had been eliminated as a source for civilian supplies, and, with the Mediterranean closed to commercial shipping, the sea routes from England and North America were tripled in length. The Middle East was entering furthermore upon an unusually wide-spread series of crop shortages.

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Objectives and Organization

For reasons of security, the British Army had attempted to organize civilian supplies for the area; but, because it was engrossed in the immediate task of holding back the enemy, it had difficulty in dealing with the heterogeneous Middle East governments on civilian-supply matters. M.E.S.C. therefore was established as a British civilian agency with headquarters in Cairo. Administratively, it was a subsidiary of the Ministry of War Transport, and its staff, which numbered about 100 for the first year, was comprised preponderantly of British officers transferred to the Ministry.

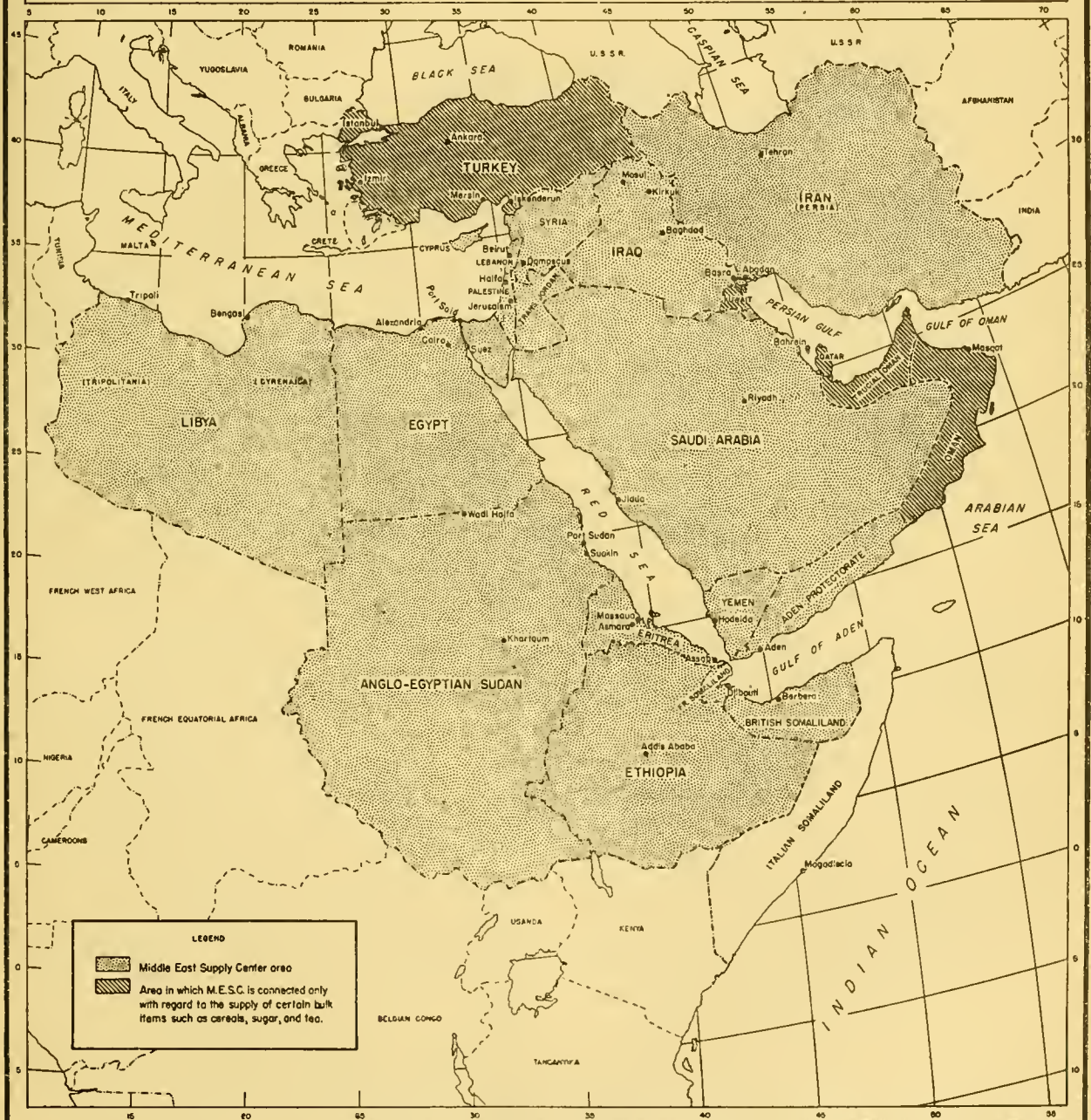
The aim of the new body was to insure supply of the essential wartime civilian requirements of the Middle East countries, with a minimum drainage on shipping services and foreign supplies. Its methods were to encourage local production and to insure that imports were limited to essentials. Although set up as an advisory body, M.E.S.C. was able to exercise extensive authority, since its parent organization—the Ministry of War Transport—controlled shipping to the Red Sea and Persian Gulf. With this authority, the Center instituted a rigorous system of examining applications for all proposed imports and making "recommendations" via the local governments to Middle East importers as to which of their overseas orders would receive shipping space. M.E.S.C. also assumed such positive functions as facilitating the procurement of essential goods, disseminating technical advice, and improving distribution. It did not buy, sell, or hold goods; such transactions were carried out for the most part by private traders or, when circumstances necessitated, through Government organizations, notably the United Kingdom Commercial Corporation.

MIDDLE EAST SUPPLY CENTER AREA OF OPERATIONS

FOREIGN ECONOMIC ADMINISTRATION

BUREAU OF AREAS

100 0 200 400 600
MILES



In the spring of 1942, one year after the formation of M.E.S.C., the United States was invited to participate in the Center's operations.¹ Several factors contributed to the relatively quick acceptance by the United States Government. The United States was beginning to receive far more civilian orders from the Middle East than ever before, and American Government agencies and private exporters were finding themselves increasingly dependent on the operations of Great Britain's newly organized Middle East Supply Center as the only available source of information on the essential requirements of civilian goods in the Middle East. Moreover, M.E.S.C. controlled shipping; 9 out of 11 companies sailing from the United States to the Red Sea and Persian Gulf were British. If American goods were to reach the Middle East, therefore, the main alternative to direct United States participation would have been the creation of machinery for centralized control independent of and duplicating the British M.E.S.C. Nor was it overlooked that M.E.S.C. appeared to be conserving shipping, at whatever handicap to American exporters, and at the same time insuring a minimum supply of essential goods to the inhabitants of the Middle East, where British and American troops were engaged in a vital operation.

The first Americans appointed to M.E.S.C. were General Russell Maxwell, former Administrator of Export Control and Chief of the U.S. Military Mission in the Middle East, and Frederick Winant, who was serving in the Department of State as liaison officer with the Office of Lend-Lease Administration.² In October 1942 these men became part of the M.E.S.C. five-man executive committee. It was not, however, before the summer of 1943 that Americans in larger numbers began to participate. Throughout 1944 and 1945, about 25 Americans worked in M.E.S.C. headquarters, while still other Americans functioned on a part-time basis. Although the British provided the greater number of personnel, with more than 150 officials in M.E.S.C. headquarters, key positions were almost equally divided. The fundamental functions and general operations of the Center were not changed with United States participation.

Administration

The Center's area of operations covered more than 4 million square miles—a larger territory

than the United States or Europe—with a population of approximately 70 million. The countries included were: Cyprus, Lebanon, Syria, Palestine, Trans-Jordan, Egypt, Libya (Cyrenaica and Tripolitania), Iraq, Iran, Anglo-Egyptian Sudan, Ethiopia, Eritrea, British Somaliland, French Somaliland, Aden, Saudi Arabia, and Yemen.

M.E.S.C. headquarters in Cairo were set up on a functional basis and included offices for food, agriculture, material supplies, industry, medical matters, transport, interterritorial trade, information, and programming. In addition there were local offices or representatives in the territories, headed in Iran, Saudi Arabia, and Ethiopia by Americans and elsewhere by British. Both headquarters and territorial offices operated under general directions from the Executive Committee in Cairo, which included representatives of the office of the British Minister Resident in the Middle East, and of the American Economic Mission—Middle East, headed by James M. Landis, which later became the office of the regional economic counselor, headed by Harold B. Hoskins. Top British policy decisions regarding M.E.S.C. emanated from an interdepartmental subcommittee of the War Cabinet sitting in London. In Washington officials of the Department of State and the Foreign Economic Administration worked in close conjunction on policy matters. In addition a joint Anglo-American Middle East Supplies Committee was set up in Washington.

Accomplishments

What success was achieved in meeting the wartime civilian-supply problems of the Middle East cannot be attributed wholly to M.E.S.C. The local governments lent their cooperation as did the diplomatic and consular missions, and the Center's work was also augmented by the operations of government agencies and private firms. It must be recalled, however, that military, shipping, and supply conditions had seriously threatened the whole economy of the Middle East and that the Middle East Supply Center was the only organization which developed and directed an over-all plan to combat that threat. During the four and a half

¹ BULLETIN of Jan. 16, 1943, p. 76.

² For a discussion of the Middle East Supply Program by Mr. Winant see BULLETIN of Feb. 26, 1944, p. 199, and Jan. 21, 1945, p. 80.

years in which M.E.S.C. functioned it achieved significant accomplishments in import control, agricultural production, industrial production, and territorial relations.

Import Control. Before the war the Middle East imported more than 5 million tons of civilian supplies annually; after 1941 imports dropped to less than 1½ million tons annually. An outstanding saving was made in the case of coal, the pre-war annual imports of which averaged 840 thousand tons. By the conversion of railway locomotives and other coal consumers to the use of oil, which is locally available, the annual import was reduced to less than 500 thousand tons. Large savings in shipping space were also made by the absolute refusal of M.E.S.C. to approve import licenses for luxuries and non-essential items.

On the positive side, M.E.S.C. made possible the importation of scarce supplies which individual importers or local governments would have found extremely difficult to procure in the face of world-wide shortage. It assisted, for example, in building up a pool of anti-malarials and vaccines which helped prevent the threatened epidemics in some regions. In the six months after the 1941 crop failures, it made possible unprecedented imports of cereals for civilian consumption, amounting to 600 thousand tons; a part of this requirement was filled in one instance by the diversion in mid-Atlantic of cargoes originally destined for the United Kingdom.

Agricultural Production. A number of adjustments were made for meeting conditions of food supply imposed by the war, such as high prices, lack of fertilizers, and lack of transport. Outstanding among these adaptations was the cultivation of cereals on over 2 million acres not previously planted with foodstuffs. In Egypt a 60-percent reduction of the cotton acreage permitted a possible planting of an additional 1 million acres of grains. In Syria another million acres of land, so sparsely populated that it had previously not been sown, was cultivated by working lend-lease tractors day and night. In Libya 20 thousand acres were also cultivated for the first time. Grain production was expanded in Iraq as well as in Lebanon, where a new irrigation system was constructed.

As a regular function, and particularly at various agricultural conferences which it sponsored, M.E.S.C. provided technical advice and infor-

mation to representatives of all countries of the Middle East through lectures, demonstrations, and documentary films sent out from England and the United States. Although it is not possible to measure the specific results of the dissemination of technical knowledge by M.E.S.C., a very small proportion of local inhabitants are normally trained in scientific agricultural methods, and it therefore seems likely that the program exerted on the agricultural development of the area an influence which may have long-range significance.

Of greater immediate importance than the increase in acreage and the spread of technical knowledge was the anti-locust campaign in the Middle East. Locusts, that invade the Middle East with particular force about every 12 years, can ravish millions of acres. They were due in 1943-44-45. M.E.S.C.'s anti-locust unit, in co-operation with local and Allied armies and air forces, sponsored anti-locust activities in accordance with an international campaign directed by the Locust Council in London. The expedition to Saudi Arabia, for instance, included a thousand men who sought out locust breeding-grounds which were later sprayed from airplanes with specially developed poisoned bait. There were also expeditions to Iran, Ethiopia, Anglo-Egyptian Sudan, and Eritrea. One of the heaviest locust invasions in living memory was thus controlled, though not completely defeated, throughout this critical period.

Industrial Production. The Middle East increased its industrial production during the war enough to permit a significant reduction in the quantity of goods that would otherwise have had to be imported for military and civilian use. The principal expansion was in Egypt, Palestine, and Lebanon.

With some success M.E.S.C. aimed to stimulate local production of widely demanded essential items that were in short supply overseas, for example, shoes, hand tools, and cotton thread; of bulky items requiring a large amount of shipping space, such as cement; and of commodities inherently dangerous to ship, such as certain industrial acids. The Center also supported military industries, particularly land-mine manufacture, and encouraged the development of raw materials for local industry. During the war the production of tungsten, tin, and chrome (for use in soap production) and the mining of chrome ore (to make

bichromates and chromic acid for use in dyeing textiles and tanning leather) were developed in Egypt. Sulphur and coal mining were further expanded in Iran, and lignite was mined in Lebanon as a substitute for coal.

A number of chemical plants were enlarged, and several new ones were started. In Palestine a plant was established to produce large quantities of much-needed superphosphate fertilizers from rock in Trans-Jordan and waste sulphuric acid which was recovered from the petroleum refinery at Haifa. Production of refined oil for food purposes was increased from 80 thousand to 120 thousand tons a year, and of industrial oils from 50 thousand tons to 80 thousand tons. These increases covered requirements previously met by imports. The figures on production of paint, glycerine, alcohol, caustic soda, and many other essential chemicals are equally impressive. In several other fields M.E.S.C. promoted local production by refusing import approvals for products when substitutes were available, by facilitating the procurement of spare machine parts, and by providing technical advice.

Although the Center supported certain industries which seemed likely to become uneconomic after the war, it aimed to prevent the establishment of such industries when there were no vital wartime reasons for supporting them. There seems little doubt that a number of the industries stimulated by M.E.S.C. are economically sound and that they will continue after the war.

Territorial Relations. The Center undertook from the beginning to restrict the import of commodities whenever they could be obtained anywhere within the M.E.S.C. area. This policy not only conserved Allied shipping and supplies but also demonstrated the potentialities of interterritorial trade to the countries of the Middle East. As a result of the M.E.S.C. program and particularly as a result of operations by the United Kingdom Commercial Corporation, interterritorial trade increased considerably in the Middle East. Egypt's percentage of imports from other Middle East countries increased from just under 5 percent before the war to more than 30 percent in 1943; Palestine's rose from just over 17 percent to more than 53 percent in the same period and Syria's from almost 13 percent to 32 percent.

Interterritorial cooperation was developed further by the collection and exchange of information

on common problems. Conferences for representatives of all Middle East countries were conducted on transport, rationing, statistics, finance, anti-inflation, soil conservation, and cereal collection. Among the specific results of these conferences were the establishment of a Middle East Agricultural Council and the creation of standing interterritorial local committees on finance and statistics.

Machinery for Transition

Although some of its operations were of long-range significance, M.E.S.C. was never more than a war agency. Its restrictive functions were not "popular" any more than were those of wartime controlling bodies in other parts of the world. More than this, M.E.S.C.'s controlling functions were hardly consistent with the American Government's peacetime commercial policy, which aims at the expansion of international trade through private channels free of restrictive barriers. Thus, there was never any intention that M.E.S.C. would not abandon its control functions when the war-compelled need no longer existed. The main question was the time and extent of relaxation.

On January 1, 1945, a de-control plan went into effect under which the Center terminated all its activities regarding the majority of the 2,000 items which it had so strictly controlled since the spring of 1941.¹ Authority was maintained, however, over the still-considerable number of commodities which remained in tight supply—a number that included commodities of basic importance to the economies of the Middle East countries.

On September 26, six weeks after the end of the war with Japan, a joint statement by the American and British Governments announced that the Center would be dissolved on November 1.² Special arrangements regarding items still remaining in world-wide shortage were, however, to be made to cover the period of adaptation to post-war conditions.

On October 30 the special arrangements were announced.³ These arrangements will be implemented by the office of the American regional economic counselor, headed by John P. Dawson, which will be temporarily continued for the purpose of assisting Middle East countries to procure

¹ BULLETIN of Dec. 31, 1944, p. 846.

² BULLETIN of Sept. 30, 1945, p. 493.

³ BULLETIN of Nov. 4, 1945, p. 727.

items in short supply which they need from the United States, and by the British Supply Mission (Middle East), which has been established to assist the Middle East countries in obtaining certain scarce commodities which they need from the British Empire and British-controlled sources.

The office of the regional economic counselor will communicate with the local governments through the American diplomatic and consular missions in the area. Its operations will take into account the fact that the only limits imposed by United States regulations on the export of commodities from the United States, now that the shipping situation has been relieved, will be those necessitated by supply shortages. Only a relatively small group of commodities still requires some export restriction and programming in order to insure a fair distribution throughout the world, including the liberated areas. Such a group is made up primarily of foodstuffs but also includes leather and some leather manufactures, rubber and a few rubber products (including tires), a limited list of drugs and chemicals, cotton textiles and yarn, lumber and sawmill products, newsprint, a few petroleum products, a selected list of iron and steel manufactures, lead and tin, trucks and passenger cars, and fertilizers.

Where allocations are necessary they will be established and administered in Washington. No grading or reviewing of individual import licenses will be undertaken by American authorities either in Washington or in the Middle East. The regional economic counselor's office will seek to facilitate the procurement of the commodities rather than to exert broad control.

The British Supply Mission (Middle East) will presumably have slightly more extensive functions than the office of the regional economic counselor and a larger staff. To a considerable extent this is because the majority of those items which remain now subject to control for reasons of world-wide shortage are normally obtained by the Middle East countries from British Empire sources. Sugar, tea, and fats and oils are notable examples.

According to the British press release which was discussed in advance with American officials, the primary duty of the new supply mission will be to insure that Middle East countries secure an equitable share of certain commodities from supply sources under British control or from areas where the British Government can in any way facilitate

supply. Sugar and cereals, so far as British arrangements are concerned, will be supplied through centralized governmental procurement channels. As to the other commodities on the "short list", the Mission, in consultation with the Middle East governments and the supplying areas, will do everything possible to assist private traders.

The joint British-American statement of September 26 made it clear that the special arrangements were for the transition period and that the two Governments desire to assist the Middle East governments to return to private trading channels as rapidly as possible. The office of the regional economic counselor and the British Supply Mission have agreed to work in close conjunction on matters of mutual concern. In so doing they will be continuing the spirit of an Anglo-American venture which would seem to have accomplished successfully a pressing and complex wartime task. The Middle East countries, meanwhile, embark on the post-war development of their economies, free of the restrictive controls exercised by the Middle East Supply Center and strengthened by such long-range benefits as may result from the Center's activities in disseminating technical information, sponsoring the development of agriculture, industry, and transport, and setting an example of cooperative effort to meet disrupted trade and economic problems.

Telecommunications

Luxembourg

The Bureau of International Telecommunications at Bern has informed the Department of State by notification 483 dated at Bern July 16, 1945 that in a note received July 6, 1945 the Government of Luxembourg stated that by a decree of the Grand Duchy dated June 13, 1945 that Government had approved the telegraph and telephone regulations signed at Cairo April 4, 1938, annexed to the International Telecommunications Convention concluded at Madrid in 1932. The June 13 decree also authorizes the Government of Luxembourg to adhere to the general radio regulations, the final protocol to the general radio regulations, and the additional radio regulations signed at Cairo April 8, 1938 and annexed to the 1932 Madrid convention.

The International Court of Justice and the Codification of International Law

Address by GREEN H. HACKWORTH¹

[Released to the press December 19]

At a time when the world is trying to readjust itself in the aftermath of devastation and dislocation of the second World War and is endeavoring desperately to make certain that a third and more terrible world war does not come to pass, it is appropriate to consider in a general way the international judicial process. For that process will have a substantial part to play in the effort to secure for mankind the blessings of peace.

Any judicial system presupposes three basic requirements: (1) the existence of a court, (2) the bringing of justiciable disputes before the court, and (3) a body of law which the court can apply.

I

A basis has been laid for a new world court. The American Bar Association, the Section of that Association on International and Comparative Law, state and local bar associations of this country, and the bar associations in Canada have played an important role in the accomplishment of this task. As you know, members of the bar and bench here and in Canada devoted hour upon hour of their time in meetings and otherwise to the study and the making of recommendations with respect to the pattern of the future international court. I think that it is fitting to mention especially Mr. Simmons, the distinguished president of the American Bar Association and a consultant to the Delegation of the United States at the San Francisco conference; Mr. Carroll and Mr. Gregory, associate consultants; and Judge Ransom, chairman of the Association's Committee on Proposals for the Organization of the Nations for Peace, Justice and Law, and adviser at San Francisco to Judge Manley O. Hudson, representative of the Permanent Court of International Justice at San Francisco. All of these men gave unspar-

ingly of their time and energy, first, in acquainting their fellow lawyers and the people at large with the need for, and the purposes to be served by, an international court and, second, in consulting with and advising the American Delegation at the San Francisco conference and, in the case of Judge Hudson, in contributing to the work of Commission IV at the Conference.

The new Statute for the Court of International Justice is an accomplished fact. It follows closely the Statute of the Permanent Court of International Justice established some 25 years ago but contains certain improvements suggested by experience, notable among which are (1) that relating to the election of the judges and (2) that concerning amendment of the Statute. Under the earlier Statute the terms of all judges expired at the end of each 9 years, making necessary the periodic election of a completely new bench. The new Statute, which likewise provides a 9-year period for the judges, stipulates that, of the 15 judges chosen at the first election, 5 shall hold office for 3 years and 5 for 6 years. Their successors will, of course, be chosen for full 9-year terms. By this process there will be on the Court at all times a two-thirds membership of experienced judges familiar with pending cases. In addition, the new Statute contains a provision for amendment, thus filling an hiatus that existed with respect to the old Statute. The procedure is the same as is provided by the Charter for its amendment.

It was thought proper for various reasons to create a new Court instead of continuing the old one. Chief among these reasons was the fact that, since the Permanent Court of International Justice was a creature of the League of Nations, and since there was being created a new international organization to replace the League, a new Court would be more consonant with this fresh start. There was also taken into account the fact that 17 nations—including enemy powers—parties to the Protocol of Signature of the Statute of the Permanent Court of International Justice were

¹ Made before the Junior Bar Conference in Cincinnati, Ohio, on Dec. 19, 1945. Mr. Hackworth is Legal Adviser to the Department of State. For article by Mr. Hackworth on the International Court of Justice, see BULLETIN of Aug. 12, 1945, p. 216.

not represented at San Francisco and consequently continuation of the existing Court as an organ of the United Nations would have given rise to problems of a political character which it was desired to avoid. But a very great measure of continuity of the structure and traditions of the Permanent Court of International Justice has been preserved.

National nominating groups in the various countries members of the United Nations are now making nominations for the election of judges. Authority is conferred upon these groups instead of their governments in order to remove the nominations as far as possible from the realm of political considerations. Soon the elections will be made by the General Assembly and the Security Council of the United Nations, and the Court will be inaugurated. It will then be ready to do its part as one of the principal organs of the United Nations, to help "bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace".

Now we know that the mere existence of a court does not of itself solve any problems; it must be used. If the International Court of Justice is to be of maximum usefulness the member states must come forward in good-will and submit to it all international disputes of a justiciable nature which cannot be resolved by the parties; and they should do this with promptness.

The jurisdiction of the Court is of two kinds: (1) it may decide cases, and (2) it may give advisory opinions. The General Assembly and the Security Council are specifically authorized by article 96 of the Charter to request advisory opinions on legal questions. The same article provides that other organs of the United Nations and specialized agencies, which may be so authorized by the General Assembly, may request advisory opinions on legal questions arising within the scope of their activities.

In the field of adjudications the jurisdiction of the Court comprises all cases that the parties refer to it. It does not have compulsory jurisdiction except as such jurisdiction has been or shall be recognized by the states under article 36 of the Statute. By the fifth paragraph of that article declarations made under article 36 of the Statute of the Permanent Court of International Justice and which are still in force are to be deemed, as between the parties to such declarations, as ac-

ceptances of the compulsory jurisdiction of the new International Court of Justice.² This latter provision will give the Court compulsory jurisdiction at the outset as to some 20 states. The San Francisco conference unanimously approved a recommendation that all members of the Organization make as soon as possible declarations under article 36 of the new Statute recognizing the obligatory jurisdiction of the Court.

We now come to a consideration of the third major requisite of the international judicial system, as posited above, the body of law that the Court is to apply.

Article 38 of the Statute provides that the Court in deciding, in accordance with international law, such disputes as are submitted to it shall apply (a) international conventions, whether general or particular, establishing rules expressly recognized by the contesting states, (b) international custom, as evidence of a general practice accepted as law, (c) the general principles of law recognized by civilized nations, and (d) judicial decisions and the teachings of the most highly qualified publicists of the various nations, as subsidiary means for the determination of rules of law. Finally, the Court may decide cases *ex aequo et bono*, if the parties so agree. Some general observations on these points may be in order.

In applying a convention the Court will look to the instrument itself to determine what the parties have agreed upon and will undertake to interpret and apply it to the particular case. The convention may restate international law on a particular topic or it may lay down a special rule to be applied as between the parties. For example, if states agree by a convention that diplomatic officers should be entitled to certain privileges and immunities—as was done in the Habana convention of 1928—they are bound by the agreement. To the extent that such a convention is declaratory of international law, states, even though withdrawing from the convention, would, of course, still be bound to accord such privileges and immunities to diplomatic officers; but they would not be bound, after withdrawal, by provisions giving greater rights than those prescribed by international law.

On the other hand, when in the absence of a convention the Court undertakes to apply international custom as evidence of a general practice ac-

² For article by Lawrence Preuss on the International Court of Justice and the problem of compulsory jurisdiction, see BULLETIN of Sept. 30, 1945, p. 471.

cepted as law, it enters a more difficult field, a field where it is necessary to proceed with caution.

Decisions of courts and the teachings of "the most highly qualified publicists" of the various nations are referred to in the Statute as "subsidiary means for the determination of rules of law". The 1920 Statute of the Permanent Court of International Justice contains a like provision. Judge Hudson states in his recent (1943) book on *The Permanent Court of International Justice* that: "No treatise or doctrinal writing has been cited by the Court". He adds, however, that: "Individual judges have not been so restrained in their references to the teachings of publicists; they have not hesitated to cite living authors, and even the published works of members of the Court itself."

II

In considering the body of law to be applied by the Court one comes inevitably to the question of what methods exist for the clarification and development of international law. The question is especially timely at this moment in view of the provision in article 13 of the Charter of the United Nations that "The General Assembly shall initiate studies and make recommendations for the purpose of . . . encouraging the progressive development of international law and its codification".

Continuing development of the law to make it more clear and certain and to adapt it to changing conditions of life is necessary in any judicial system. The accomplishment of this task is contributed to in various ways, including legislation, judicial decisions, rulings of administrative agencies, growth of commercial practices, writings of experts, and group-study projects, official and unofficial. The process called "codification" embodies several of these activities and may draw upon all of them.

The codification of law involves three basic processes: (1) the grouping together of the rules dealing with a given subject of law in an orderly and logical manner; (2) an attempt to correct defects in those rules, that is, the filling of omissions, the elimination of archaisms, and, in general, the modification of the rules to take into account changes in conditions and policies; and (3) the enactment of the new set of rules into binding law by some agency having the power to do this act. It is true, however, that "codification" is sometimes used in a more limited sense to refer merely to the systematization of rules, or the systematization and modi-

fication of rules, without regard to the essential element of their being put into effect.

I am certain that most of us in this meeting have had some personal experience with the process of codification in either the domestic or the international field and that we appreciate the difficulties in the way of achieving a useful code as well as the advantages that result from such an achievement.

The sense in which we are here thinking of codification and some of the difficulties which inhere in the undertaking were aptly stated by Charles Evans Hughes, in an address as President of the American Society of International Law in 1925 in which, in speaking of the codification of public international law, he stated:

" . . . We are thinking both of the restatement of the existing law and of the process of international legislation; that is, of reinvigorating the old law by fresh declaration and of obtaining the formulation of principles and rules which will settle old juristic controversies and also meet the demands of new conditions. . . .

"We can be under no misapprehension as to the conditions in which this task is to be accomplished. The consent of nations must be had and this must be obtained from governments faced with political exigencies . . . the development of international law through codification cannot be had without the favorable action of foreign offices and national legislatures, and our problem is how to stimulate effective cooperative endeavor, how to assure both deliberation and purpose. And it must always be borne in mind by our lay friends, who are intent upon the immediate perfecting and declaring of international law, even in the most extreme applications which their paper programs demand, that it is agreement we are seeking on the part of states which according to our fundamental postulate we must recognize as independent and equal before the law; the general accord, if not absolute unanimity, which must characterize the recognition or assumption of international obligations." (*Proceedings*, Amer. Soc. of Int. Law, 1925, pp. 1, 6-7.)

In the past there has been a tendency to underestimate the difficulties of codification and to exaggerate the advantages that may result from it. There has been a rather general disregard of the fact that in some instances the most sincere efforts to codify international law may do more harm than good, although this possibility has been

touched upon by several scholars, including John Bassett Moore, Noel-Baker, and J. L. Brierly.

All the facets of the task of codifying international law are demonstrated in the history of the Hague Conference of 1930: the selection of a subject or subjects, the extent of the preparation in the international sphere and by national groups, the organization of the conference, the conflicts of interest between different participating states, the harmonizing of conflicting concepts in the international field carried over from differences in the several systems of domestic jurisprudence and varying political interests, and barriers of one kind or another.

The preparatory work for this Conference extended over a period of approximately 6 years. It was begun in September 1924 when the Assembly of the League of Nations requested the Council to create a committee on codification. The Committee of Experts for the Progressive Codification of International Law, created by the Council, selected 11 subjects for investigation, of which 7 were reported to the Council as "ripe for codification". The Council transmitted this report to the Assembly, which in 1927 decided to submit three subjects, namely, "Nationality", "Territorial Waters", and the "Responsibility of States for Damage Done in Their Territory to the Person or Property of Foreigners", to a first conference on codification. The Council created a Preparatory Committee for the Codification Conference and questionnaires on the three subjects were circulated among the governments. From the replies by 30 governments to the points stated in the questionnaires, bases of discussion were prepared. These bases were submitted to the Conference assembled in March 1930 at The Hague as a starting point for its deliberations. In addition to the painstaking preparation there was on hand at the Conference an excellent staff of more than 80 people from the secretariat of the League, well trained in the mechanics of international conferences. The three subjects were submitted to three separate committees, which in turn had their subcommittees and drafting committees, so that in effect three conferences were going on simultaneously.

Meanwhile, the Harvard Research in International Law, functioning under the auspices of the Harvard Law School and composed of people from various parts of the country interested in international law, had prepared draft conventions on

these same three subjects with copious comment. These were made available to the Conference at The Hague.

Despite the groundwork thus laid through these preparatory efforts, and the facilities that were available, the Conference was attended with but little success. Its fruits consisted of a Convention on Certain Questions Relating to the Conflict of Nationality Laws and three protocols relating to the subject of nationality. It is generally admitted that nationality is not governed by international law but rather by municipal law; hence, there was little more than a scratching of the surface in the international-law field.

It is not difficult to understand why it was not possible to come to an agreement on the subject of Responsibility of States. There is perhaps no subject of international law so constantly and so actively before the nations, nor one which so vitally affects them and their nationals. It is the underlying principle upon which every international claim is advanced and decided. It was no small undertaking, therefore, for the representatives of some 40 states to endeavor to secure, in the short period of a month during which the Conference sat, substantial agreement in a field of law so basic and so difficult. On subjects such as denial of justice, the question as to whether foreigners are entitled, as one delegate put it, "to a special status under international law" or are entitled to no better treatment than that accorded to nationals of the country, the extent to which states are liable for acts of their agents, the question of due diligence in preventing or punishing acts of private individuals, et cetera, it was early apparent that there was wide divergence of view. The so-called "majority" group of delegates favored a broader degree of responsibility than did the minority group. But the minority group was sufficiently strong to prevent agreement. Although a convention embodying a partial list of 10 articles, which were supported by a majority—and some of them by a much larger number of delegates—was drawn up, it soon became evident that the convention would not command the required two-thirds vote.

International law with respect to Territorial Waters was not well settled. The views of the various states differed as to the extent of the marginal-sea belt, the extent and nature of jurisdiction over an additional area of contiguous waters, and other questions. In addition there was, on the one hand, no pressing need for fixing the rules with

respect to these matters at that time; and there was, on the other hand, reason to believe that the full significance of contiguous waters for nations bordering the sea was as yet unrealized. Under the circumstances the subject of Territorial Waters did not lend itself to codification in 1930.

But one should not be too greatly discouraged by the modest results of the 1930 Hague Conference. I believe that we have learned some valuable lessons from that Conference that will make likely a greater degree of success in future undertakings of the sort.

Other efforts, official and unofficial, with varying degrees of success, have been made over a long period of years. Although the steps have been referred to repeatedly and in some detail, perhaps a brief reference to some of them may be useful at this time.

During the first two years of our Civil War conflicting decisions and rulings on questions of the laws of warfare were of common occurrence in different armies and at times in the same theater of operations. The Secretary of War, seeing the need for remedying the situation, called upon Dr. Francis Lieber, an eminent jurist, to prepare a code of instructions for the government of armies of the United States in the field. Such a code was prepared by Dr. Lieber, and, as revised by a Board of Army Officers and approved by President Lincoln, was published in 1863 by the War Department as General Orders, No. 100. It covered such subjects as martial law, military necessity, retaliation, public and private property of the enemy, wanton violence, deserters, prisoners of war, hostages, booty, spies, exchange of prisoners, flags of truce, armistice, capitulation, et cetera.

This code attracted wide-spread interest in Europe and was greatly relied upon by the Committee on Codification at the Conference held at Brussels in 1874 to consider the general question of the conduct of war. While the Declaration of Brussels was never ratified, it formed the basis of the regulations annexed to the Convention on Laws and Customs of War on Land concluded at the first Hague Peace Conference in 1899 and revised at the second Hague Conference in 1907.

There was also signed at The Hague in 1899 a Convention for the Pacific Settlement of International Disputes, which comprised a code on good offices, mediation, and arbitration. This Convention, also revised at the second Hague Peace Conference in 1907, contained provision for a

Permanent Court of Arbitration and marked an advanced step in the settlement of international disputes by peaceful means.

Other conventions and declarations were signed at The Hague in 1899 and 1907, as, for example, those relative to the Opening of Hostilities, the Status of Enemy Merchant-Ships at the Outbreak of Hostilities, the Conversion of Merchant-Ships into War-Ships, the Laying of Automatic Submarine Contact Mines, the Bombardment by Naval Forces in Time of War, the Adaptation to Naval War of the Principles of the Geneva Convention of 1906, the Right of Capture in Naval War, the Rights and Duties of Neutral Powers and Persons in War on Land, the Rights and Duties of Neutral Powers in Naval War, and the Establishment of an International Prize Court.

The administration of prize law has been largely confined to the domestic field, that is to say, prizes captured in time of war are brought before and passed upon by national courts sitting as prize courts. These courts are supposed to administer international law but are frequently hedged about by domestic enactments and regulations. Their decisions have lacked uniformity and have not always reflected the same line of judicial approach, nor have they always reflected the same degree of recognition and respect for international law regarding capture and condemnation of prizes. The captor is, in effect, both judge and party in interest. This frequently gives rise to contentious diplomatic exchanges when neutral property is concerned. It was with a view to remedying this situation that the last-mentioned Convention was prepared at The Hague. It had for its purpose the "Establishment of an International Prize Court" with authority to act as a court of appeal. Although the Convention was signed by the United States Delegation, this Government later objected to allowing such a court to review decisions of our national courts. It was willing, however, to have the international court try such cases *de novo*, awarding compensation in appropriate cases, and a formula to this effect was agreed upon at the London conference in 1909.

Article 7 of the International Prize Court Convention, just referred to, provided that in the absence of a treaty between the parties on the subject, the Court should be governed by international law, and that "If no generally recognized rule exists, the Court shall give judgment in accordance with the general principles of justice and equity". In

February 1908 the British Government—which had proposed the article at The Hague—invited the powers to meet in London for the purpose of reaching an agreement on the generally recognized principles of international law in the sense of article 7.

There emerged from the Conference, held in the latter part of 1908 and the early part of 1909, a declaration concerning the laws of naval war, known as the Declaration of London. It dealt with such questions as Blockade, Contraband, Unneutral Service, Destruction of Neutral Prizes, Transfer of Vessels to Neutral Flags, Enemy Character, Convoy, and Resistance to Search. The Declaration did not reflect *in toto* the views of all or any of the nations participating in the Conference. In many respects it represented compromises on varying points, but by and large it was a commendable effort to codify the law in this important field. The Senate of the United States gave its advice and consent to ratification, but the Declaration was never ratified by any state. Efforts were made during the first World War to apply its provisions by common understanding but with little success.

The American republics have been very active in the endeavor to codify international law. For example, at the Sixth International Conference of American States held at Habana in 1928, an effort was made to codify a number of subjects. Preliminary work had been done by a Commission of Jurists meeting in Rio de Janeiro, which presented 12 draft projects. The Conference agreed upon drafts relating to the Status of Aliens, Asylum, the Rights and Duties of States in the Event of Civil Strife, Commercial Aviation, Consular Agents, Diplomatic Officers, Copyright, Maritime Neutrality, Private International Law, and Treaties.

A highly encouraging factor in the development of international law, and particularly in its codification, has been the work done on a voluntary basis by individuals and private organizations. Today's meeting is a token of the interest displayed in this subject by the American practicing lawyer. The Institute of International Law, the International Law Association, the American Society of International Law, the Carnegie Endowment for International Peace, the Harvard Research Group, as well as the Section on International and Comparative Law—and there are others—are private associations that have made a significant contribution to the codification of international law.

The various efforts that have been made looking to the statement of international law in conventional form constitute a beginning. Conventions heretofore agreed upon will need to be reexamined and subjects not heretofore covered will need to be considered. It must be remembered, however, that codification in this field is by no means simple. International law develops slowly. States do not change overnight from methods and principles to which they have become accustomed. They, no less than individuals, are apt to be skeptical of new rules, the necessity for which may not be readily apparent. It is necessary in considering codification to keep ever in mind the realistic and practical approach. A program that is too ambitious in its inception may prove disappointing. On the other hand, a carefully planned program which would have for its purpose progressive codification on well-chosen subjects would present prospects of success.

The decisions of the International Court of Justice should go a long way toward an authoritative statement of rules of international law involved in cases decided by it. In advocating adherence by the United States to the Protocol of Signature of the Statute of the Permanent Court of International Justice, Secretary of State Stimson, in a letter to President Hoover dated November 18, 1929, recognized the importance of the role which the Court must play in the development and implementation of international law. He stated:

“ . . . it is . . . to the judicial action of a World Court, passing upon the individual controversies which arise between nations, that we must look not only for the application and interpretation of these compacts and codes but for the flexible and intelligent development in this way of all the subsidiary principles and detailed rules which will surely be found necessary in such application.

“No people are more familiar with this need than the American people, or have greater reason for confidence in this judicial method of developing the law of conduct between separate states. They have seen their own Supreme Court wisely and flexibly work out the myriad difficult and changing problems which in the course of one hundred and forty years have grown out of the compact in which thirteen sovereign states in 1787 agreed to settle their relations by pacific means. . . .

“ . . . The standards set up by international

conferences will hardly be able safely to go beyond the statement of broad general principles; the development of details will necessarily grow out of the application of such principles by the Court. Here again to the American brought up under the common law, patiently and intelligently evolved by six hundred years of judicial decisions, this will be familiar as the method by which a system of law can be most safely, flexibly and intelligently produced." (1929 For. Rel. vol. I, pp. 39-40.)

Every judge, whatever the court, is faced with the problem of applying the law understandingly. Judges interpret the law, written or unwritten, as new situations arise. Whether they will it or not, they mold the law. The international field is no exception.

Nor will codes of international law on all the major phases solve the difficulty entirely. There will still be gaps in the law. Agreements cannot pos-

sibly embody provisions with the minutiae which one might desire. There will yet arise the great multitude of new situations to be passed upon which were not envisioned in the codes. Wisdom in the interpretation and application of any law is always needed. Practice and custom, agreements and writings, have not covered all aspects of the law of nations with an equal degree of certainty. We must anticipate a growing and ever-developing international law. The nations have an opportunity to frame codes which can be wisely developed to fit the needs as they unfold. It must not be thought that a code may be written which will fill all needs for all time to come. Nor can it be expected that a comprehensive code can readily be prepared which will be acceptable to all nations as their guiding star. A good beginning has been made despite the difficulties. We should not be deterred from carrying the work forward.

NATIONAL INTELLIGENCE PROGRAM—Continued from page 993.

time operations of the cloak-and-dagger boys; for the most part it will be much less romantic. But it will be none the less difficult, and it will be important because it will furnish the basis not only for our outgoing information program, but also for making decisions on our foreign policy. Colonel McCormack, you don't favor putting all Government intelligence into one big agency. Instead, you advocate a national intelligence authority which will harness the vast intelligence resources of this Government in a cooperative program—a program designed to assist this Nation as a leader in world affairs.

McCORMACK: That's right, Mr. Fisher. We don't want a new agency; we want to improve the work of existing agencies, and see that the intelligence they get is accurate, timely, and relevant.

BENTON: And is made available to the general public as well as the Government, in order to improve understanding among nations. This will help to bring the conscience and the common sense of the average citizen into the making of our foreign policy.

McCORMACK: Mr. Fisher, you know the old saw about the three kinds of intelligence—human, military, and divine. Well, we can't expect to approach the divine level, but we can harness human and military intelligence for the high purposes of national security and international peace.

FISHER: Well, thank you, Colonel, and thank

you, Mr. Secretary, for bringing us this interesting forecast of our post-war intelligence service.

ANNOUNCER: That was Sterling Fisher of NBC's University of the Air. He has been interviewing Assistant Secretary of State William Benton and Colonel Alfred McCormack, Special Assistant to the Secretary of State in charge of research and intelligence, on the question of a unified intelligence service. The discussion was adapted for radio by Selden Menefee.

Next week we shall present the third of this new group of State Department broadcasts. Assistant Secretary of State Donald Russell, who is responsible for administration in the Department, and Mr. Selden Chapin, Director of the Office of the Foreign Service, will discuss the post-war plans of the United States Foreign Service.

This has been the forty-fifth in a series entitled "Our Foreign Policy", presented as a public service by the NBC University of the Air and broadcast to our service men and women, wherever they are stationed, through the facilities of the Armed Forces Radio Service. You can obtain printed copies of these broadcasts at 10 cents each in coin. If you would like to receive copies of 13 consecutive reprints, send \$1 to cover the cost of printing and mailing. Address your orders to the NBC University of the Air, Radio City, New York 20, N. Y. NBC also invites your questions and comments.

Peace, Freedom, and Law Are Inseparable

Address by ASSISTANT SECRETARY BRADEN¹

[Released to the press December 18]

What, specifically, are the causes underlying the social instability of our times? Interpretations of history, purporting to explain these ills, are offered at every hand. I shall cite only four, the four that to my mind touch on some of the fundamental causes of our present plight.

There are those who regard the basic cause as the overthrow by the French Revolution—and by the movements that followed in its train—of the ancient monarchical system, with the consequent advent of governments which in the minds of many lacked that essential ingredient of authority—legitimacy. Others place the blame on the unequal distribution of wealth, the system of free enterprise, and on the scope given by our society to individual initiative because in their opinion these prejudice the well-being of the community. To others still, a growing disrespect for religious principles and ethical rules, honored aforetime, is the root of all our manifold troubles. Finally, there is the school of thought that attributes these troubles to the disparity between our rapid progress in science and technology, since the beginning of the so-called “Industrial Revolution”, and our creeping progress in the development of new political principles and procedures to cope with our technological advances.

Let us grant that there are at least some elements of truth in each of these theories. No doubt the irruption upon history's scene of governmental systems which to many lacked legitimacy has contributed to our social restlessness. Where the authority of a government is not implicitly recognized by those whom it governs, the rules that it establishes and the orders that it issues will be obeyed, if at all, more from fear of the police than out of respect for legality. The tension thus created between the government, on one side, and the governed, on the other, ferments and tends to increase to the point where an explosion takes place.

To cope with its own weakness, the government is constantly tempted to resort to a ruthless exercise of that unlimited sovereign authority which a great body of world opinion still accords it. In the domestic sphere, it does this by eliminating or paralyzing the opposition. Further to bolster its position at home, it seeks to quarrel with its neighbors abroad and resorts finally to aggression in the hope of quickly and cheaply achieving military victories. Our recent experience in these particulars has been too vivid for us not to recognize it again, even while it is still only a threat. Unfortunately, these military adventures are greatly stimulated by the magnetic attraction that warfare has for those who have been educated—often deliberately educated—to look upon it as the most heroic and esteemed of human activities.

The second thesis to which I have referred, that economic inequality, especially the unrestricted growth and concentration of wealth, is incompatible with peace and order in international as in domestic affairs, has many advocates who regard it as absolute dogma. They maintain that it is virtually impossible for those who possess riches and those who, by contrast, have barely the most elementary resources to exist side by side in peace and harmony. It is at least open to question, however, whether economic inequality is, in itself and of itself, the cause of the disorders under which this world labors. The accumulation of wealth and the resulting concentration of power are not innately and inevitably harmful. Such accumulations and concentrations, where their employment is based on the principles of justice and humanity, may greatly benefit the entire community. It is the irresponsible use of wealth and exercise of power, where no limitations are imposed, that is harmful and that must therefore be condemned. If concentrations of power and wealth are to benefit not only their possessors but the community as a whole, they must be subject to the authority of law. Uncontrolled freedom and impunity granted to the powerful have caused more suffering than hunger or privation themselves.

Perhaps there is truth in the claim made by

¹Delivered at Yale University on Dec. 18, 1945. Requests for complete text of this address should be made to the Division of Research and Publication, Department of State, Washington 25, D. C.

exponents of the third thesis, that mankind has abandoned the principles of religion and the moral rules by which it was once guided. It is more accurate to say that, in all the times of which we have any historic record, men have never fully and consistently lived up to the former or obeyed the latter. With notable exceptions, they have always shown scant aptitude for practicing what they preached. I know of no more tragic or disheartening example than that with which Germany has now provided us. The influence of almost 20 centuries of Christian teaching was not able to resist a neo-pagan doctrine that, founded on a partial and arbitrary interpretation of biological laws, incited and even glorified the lowest predatory and sadistic instincts of the human race. Before the horrors of Belsen and Dachau and the monstrous crimes committed by the Nazi armies and police in the countries which had to endure them, it is hard to believe that the divine lesson of the Sermon on the Mount was ever revealed to mankind. It is not a question of resurrecting forgotten religious principles or abandoned ethical precepts. These principles and these precepts persist inherent in the human soul, today as yesterday. They are by their nature imperishable. What is needed is that mankind accommodate its practices to them, as it has never done before, not only in the relations between individuals but also in the relations of the individual to his government and in relations among governments themselves.

In respect of the fourth theory: It is indisputable that the backwardness of our political thinking, by contrast with the degree of our scientific and technological advancement, tends to create a situation of dangerous disequilibrium in the entire realm of human activities. Our scientific skill has now reached such an advanced stage that we are able to manipulate and subject to our will the very essence of physical matter. The transmutation of the elements, which only a few years ago was regarded as belonging to the domain of alchemy, is now within the province of applied science; our notions of matter and energy, of time and space, have been radically modified; the geographical concepts that governed our strategy only yesterday are obsolete today. We have reversed the saying of Goethe: *Schon ist alle Nähe fern* ("The near is already far away").

Yet, for all this, our political attitude and conduct continue to be governed by principles and concepts essentially indistinguishable from those

already existing in the most remote antiquity. Small wealth and insignificant power are subject to the impartial rule of established law and, under it, enjoy an orderly and peaceful existence. But the great concentrations of power too often escape the arm of the law; they may be employed irresponsibly with impunity! In a world where, through experimental science, man has won an extraordinary freedom from the tyranny of nature—having achieved dominion over space and over the sources of natural energy—he remains in many cases politically shackled, his freedom restricted to his own inner conscience. And even this domain is constantly besieged, often successfully, by the instruments of propaganda, operated scientifically, making use of every technological discovery, serving only the individual or the group that disposes of the sum total of sovereign power. In the field of science, human liberty knows no other limitations than those imposed by the laws of nature; in the political area, man's liberty may be subjected to the caprice of his lowest fellow.

In the pre-Galilean world, the universe revolved about a fixed earth, and the state revolved about the prince. After Galileo, the earth acquired the somewhat more modest though still respectable status of a wandering planet obeying the laws of a superior system. But the prince, apparently more stable than the earth itself, continued as the center of human society. It was not until two and a half centuries later that the American and French Revolutions succeeded in displacing the political center of gravity, removing it from the person of the sovereign to the nation itself. National sovereignty was substituted for personal sovereignty. The "inviolable" rights of the people replaced the divine right of the king. The rule of law succeeded to the monarch's omnipotence. The people, who had been the servants of government, became its masters.

New political theories, however, are slow of practical realization. With notable exceptions, inviolable popular sovereignty has persisted, and continues to persist, as an unrealized ideal, an aspiration, a distant goal of human endeavor. I need hardly dwell here on the degree to which this ideal was defeated in Germany and Italy, and is today being frustrated in the countries that smother under the several national varieties of international Fascism. Even in our day, the world is still confronted by the spectacle of governments which arrogate to themselves more irresponsible

power than did the prince of Galilean times. After all, the power of even Louis XIV, Henry VIII, and Charles V was limited by definite religious and moral restraints and by the unwritten law of deep-seated custom.

If the logic that governs scientific progress were also to be applied to the evolution of our political thought and processes—if, in short, political science stood on a level with natural science—such violations of accepted political principle and such latitude for irresponsible authority would cease to exist. Just as the very notion of a sovereign by divine right who exercised his rule without believing in God, the source of his authority, would have been absurd in days gone by, so it should be inconceivable to us that a government which does not believe in the sovereign authority of the people should still rule in the name of the people.

This brings us face to face with the most debated political question of the day: If a nation derives its sovereignty, internal and external, solely from the people of which it is composed, is a government that violates the popular will at home vested with popular sovereignty in its dealings abroad? And if, despite all logic, we grant that it is, may such a government exercise absolute sovereignty in the international community, or must it subject its sovereignty, on a basis of equality, to the common law of all nations? For our Christian civilization, in which only God is considered absolute, the concept of a government that arrogates to itself the properties that belong to God alone is wholly inadmissible—quite apart from the lesson taught us by the dreadful experiences through which we have just passed, that nothing so threatens the peace and the freedom of mankind as the exercise of absolute, unlimited, and consequently irresponsible power.

In his Fourth of July address in 1916, President Wilson said: "I will not help any man to buy a power which he ought not to exercise over his fellow beings". Is it possible, one may ask, for law-abiding men to stand indifferent before the seizure of such power? The answer to this question was made at the University of Buenos Aires on July 14, 1916 by the great Brazilian jurist, Ruy Barbosa:

"As between those who destroy the law and those who observe it, no neutrality is admissible. Neutrality does not mean impassivity—but, rather, impartiality; and there is no impartiality between the

law and injustice. When there are written standards that define them and differentiate between them, to fight for the observance of such standards is not to violate neutrality but to practice it. When violence arrogantly tramples the written law underfoot, to cross one's arms is to serve it. The tribunals, public opinion, conscience are not neutral as between crime and the law. In the face of armed insurrection against established law, neutrality cannot take the form of abstention, it cannot take the form of indifference, it cannot take the form of silence."

There is no better way to prevent a man from seizing unauthorized power than to set standards of law which regulate his conduct equally with that of his fellows. It is the same with governments. And if a man is not satisfied with the liberty that that law allows him, if he embarks on rebellion, then let the weight of the law with all its consequences fall upon him! Enforcement of the law by the international community is not intervention, any more than indifference to the law is neutrality.

Basic Libraries and Cultural Exchange

"Basic Libraries" of some 250 volumes covering all phases of American life have been sent during the past two years to educational institutions in 12 countries of the East, Middle East, and Africa as part of the Department of State's cultural-exchange program.

The libraries are sent to those institutions specifically requesting them, and so far have been received by 28 universities and colleges in India, Algeria, Egypt, Saudi Arabia, Morocco, Iran, Turkey, Palestine, Lebanon, Ethiopia, and Liberia. The exchange is on a reciprocal basis, and institutions receiving the books are urged to send works relating to their own countries to American libraries.

The "Basic Library", selected by educational experts both outside and within the State Department, includes works on American history, political economy, philosophy, education, agriculture, medicine, library science, technology, literature, art, music, and agricultural practice. The program has been handled by the Department's Division of Cultural Cooperation.

Progress in Establishment of the United Nations Organization

Address by DURWARD V. SANDIFER¹

[Released to the press December 17]

On June 26 of this year 50 nations signed the Charter of the United Nations, which provided for its own entry into force upon deposit of ratification by the Big Five plus half the other signatories. Poland subsequently became the fifty-first signatory, raising the total number of ratifications required to 29. On October 24 the Charter came into effect with the deposit of the twenty-ninth instrument of ratification. Since that time all but four states have deposited their instruments of ratification.

The United States Senate has not only given its advice and consent to the ratification of the Charter; it has passed the bill that insures full United States participation in the work of the United Nations Organization. Under this bill the President would be in a position to negotiate with the Security Council of the Organization an agreement governing the number and types of forces to be made available to the Security Council, at its call, for the maintenance of peace or the suppression of threats of aggression. Such agreement would, under the bill, require the approval of both houses of Congress. Furthermore, the bill authorizes the United States representative on the Security Council, acting on the instruction of the President, to vote for the employment of these forces without specific approval by Congress.

It is significant to note that the rate of progress in international organization has been one of continuous acceleration. In the evolution of the United Nations five principal landmarks have already been passed:

(1) the Four Nation Declaration at Moscow on October 30, 1943,² in which the United States, the

United Kingdom, the Soviet Union, and China publicly recognized the necessity of establishing a general international organization for the maintenance of international peace and security;

(2) the Dumbarton Oaks Proposals of October 7, 1944,³ in which the same four powers outlined the structure and powers of such a general international organization;

(3) the Yalta conference in February 1945,⁴ at which agreement was reached on a voting formula and on calling the San Francisco conference;

(4) the signing of the Charter of the United Nations at San Francisco on June 26, 1945,⁵ which gave the world the "grand design" of that organization; and

(5) the meeting of the Executive Committee and the Preparatory Commission in London in August and November of this year to prepare for the meeting and organization of the General Assembly and other organs of the United Nations.

Between Pearl Harbor and the Four Nation Declaration almost two years elapsed; between the Four Nation Declaration and the Dumbarton Oaks Proposals almost a full year; from the Proposals to the Charter nine months; from the signing of the Charter to the meeting of the Preparatory Commission less than six months. This time-progression in itself shows how the confidence of the nations in international organization has grown.

¹ Delivered before the American Bar Association in Cincinnati, Ohio, on Dec. 17, 1945. Mr. Sandifer is Chief of the Division of International Organization Affairs, Office of Special Political Affairs, Department of State. Requests for complete text of this address should be made to the Division of Research and Publication, Department of State, Washington 25, D. C.

² BULLETIN of Nov. 6, 1943, p. 308.

³ BULLETIN of Oct. 8, 1944, p. 368.

⁴ BULLETIN of Feb. 18, 1945, p. 213, and Mar. 11, 1945, p. 394.

⁵ BULLETIN of June 24, 1945, p. 1119.

While the process of ratification of the Charter was going on, further steps toward the establishment of the Organization were also in progress. On the same day that the representatives of 50 nations signed the Charter at San Francisco, they signed also the instrument known as the "Interim Arrangements Concluded by the Governments Represented at the United Nations Conference on International Organization". This document provided for the establishment of a Preparatory Commission of the United Nations "for the purpose of making provisional arrangements for the first sessions of the General Assembly, the Security Council, the Economic and Social Council, and the Trusteeship Council, for the establishment of the Secretariat, and for the convening of the International Court of Justice". The Commission was to consist of one representative of each state signatory to the Charter. It held its organization meeting in San Francisco on June 27 and is now meeting in London.

The Interim Arrangements also provided that the Preparatory Commission should be assisted by an Executive Committee composed of representatives of the 14 states that comprised the Executive Committee of the San Francisco conference, namely, Australia, Brazil, Canada, Chile, China, Czechoslovakia, France, Iran, Mexico, the Netherlands, the Soviet Union, the United Kingdom, the United States, and Yugoslavia. This Executive Committee commenced its meetings in London on August 16 and completed its report to the Preparatory Commission on October 27. To carry on its work the Executive Committee established 10 committees as follows: General Assembly, Security Council, Economic and Social Council, Trusteeship Council, Court and Legal Problems, Secretariat, Financial Arrangements, Transition From League, Specialized Agencies, General Questions—particularly location. These committees cast their reports, in so far as possible, in the form of recommendations for the consideration of the Executive Committee and submission by it to the full Preparatory Commission. The report of the Executive Committee which resulted contains draft agenda and draft rules of procedure for the first session of the various organs of the Organization together with appendices, some of which set out the main considerations which were taken into account by the Executive Committee in formulating its positive proposals.

The Executive Committee was unanimous in its view that the first session of the General Assembly should be divided into two parts, the first to be primarily organizational in character but prepared to refer urgent world problems to the appropriate organs of the Organization, and the second to be devoted chiefly to the consideration of substantive problems.

Under this arrangement, the General Assembly will meet and organize itself as quickly as possible and proceed to elect the non-permanent members of the Security Council and the members of the Economic and Social Council and to take some interim measures in the trusteeship field. The Secretary General of the United Nations cannot be named and enabled to appoint the Secretariat until both the Security Council and the General Assembly have acted. Likewise, the selection of the judges of the International Court of Justice requires concurrent election by the General Assembly and the Security Council. In other words, the General Assembly's role in the establishment of the United Nations is pivotal. None of the other principal organs of the Organization can meet and organize itself until the General Assembly has acted.

The recommendations of the Executive Committee, however, remain the recommendations of 14 of the United Nations acting as agents for all until they are adopted by the whole membership of the United Nations in the Preparatory Commission. Since the membership of the Preparatory Commission corresponds exactly to the membership of the General Assembly there is every reason to believe that a recommendation by the Preparatory Commission will be taken as a basis for action by the General Assembly.

The Preparatory Commission itself has been grappling with a number of important problems which must be resolved in order to assure speedy action by the General Assembly and the other organs scheduled to meet in January. It is not possible to give a detailed statement of these problems, but a review of important typical problems will give an idea of the tremendous task involved in getting such an organization under way.

The Legal Committee dealing with the Court and other legal problems has been the first to complete its work. It has approved the action of

the Executive Committee in directing the Executive Secretary to issue invitations to the national panels for nominations to the International Court of Justice and to take all other action necessary to the election of judges at the General Assembly in January. We have insisted that the election should take place in January in order to assure the Court being available to the member states at the earliest possible date.

The Committee has approved a declaration welcoming the taking by the League of appropriate steps to dissolve the Permanent Court of International Justice and recording the assent to the dissolution of those members of the Preparatory Commission who are members of the Court. A resolution for the dissolution of the Court, proposed by the Executive Committee to be moved in the General Assembly, was dropped.

A further resolution was approved by the Committee providing for steps necessary to the convening of the first session of the International Court of Justice, including making of necessary arrangements by the Secretary-General and calling attention of the General Assembly to the necessity of fixing the emoluments of judges early in its first meeting and to the desirability of these salaries being not less than those of the judges of the Permanent Court during the period 1936-39.

With regard to the important matter of the registration and publication of treaties and international agreements, the Legal Committee approved the Executive Committee's recommendation which (1) calls attention to the importance of taking all necessary measures to avoid any gap in the publication of these instruments between the termination of the League treaty series and the beginning of the treaty series of the United Nations, (2) directs the Executive Secretary to provide for receiving and filing such instruments on a provisional basis, and (3) invites the General Assembly to invite non-members to register treaties and international agreements with the United Nations.

One of the most difficult technical and legal questions with which the Commission has had to deal has been the transfer of certain functions, activities, and assets of the League. There was a difference of opinion in the Executive Committee over the so-called *en bloc* transfer of assets and of non-political functions and the selective procedure. The Committee adapted the former subject to the

right of the United Nations to determine what functions it should continue. The selective principle was rejected on the ground that it might result in a gap in certain functions and that it would result in too long a period of uncertainty. The League Committee of the Preparatory Commission appears to have retained the substance of the *en bloc* procedure while modifying its form. It endorses the draft resolution adopted by the Executive Committee relative to the assumption by the United Nations of functions of the League under international agreements. In the case of such functions of a political character, the General Assembly will itself examine, or refer to the competent organ, any request by the parties for the assumption of such functions by the United Nations. As to non-political functions and activities not covered by the foregoing resolution, the Committee would confer on the Economic and Social Council the duty of surveying them to determine which should, with necessary modifications, be assumed by organs of the United Nations or entrusted to specialized agencies brought into relationship with the United Nations. Pending the completion of the survey the Council would, on the dissolution of the League, assume and continue on a temporary basis the work done by the Economic, Financial, and Transit Departments, particularly the research and statistical work; the Health Section, particularly the epidemiological service; and the Opium Section. The Committee states that it would be desirable to retain for this work such experienced personnel by whom it has been performed as the Secretary-General may decide to select. A committee would be established by the Preparatory Commission to negotiate with the League Supervisory Commission for the transfer of League assets.

Certain aspects of the problem of the privileges and immunities of the Organization and of its officials, and of a possible agreement between the Organization and the host state, have been considered, but no definite conclusions have been reached. Both matters involve important legal and political questions.

A good deal of attention has been given both by the Executive Committee and the Preparatory Commission to the committee structure of the General Assembly. As to the permanent "technical" committees of the Assembly, where, to judge from the League experience, all the real work will be

done, agreement has been reached on the following committees: Political and Security, Economic and Financial, Social and Humanitarian, Trusteeship, Legal, and Administrative and Budgetary. After considerable discussion it was decided that regulation of armaments should be handled by the Political and Security Committee rather than by a separate committee. There was also considerable difference of opinion over the establishment of separate committees in the economic and social fields. The view prevailed that social problems would be too important and extensive to be handled by the same committee charged with economic and financial matters.

There would also be a Supervisory Committee for Administrative and Budgetary Questions in general analogous to the League Supervisory Commission. The Committee would have seven members, including at least two financial experts of recognized standing, selected on the basis of broad geographical representation, personal qualifications, and experience. It would be responsible for expert examination of the Budget of the United Nations and would assist the Administrative and Budgetary Committee on matters other than personnel.

The principal question debated on the Security Council has been the extent to which the Preparatory Commission should examine and make recommendations concerning the organization and responsibilities of the Security Council. The view has prevailed, with which we have agreed, that the Security Council should organize itself, and that therefore recommendations should be limited to the formulation of the agenda and of provisional rules of procedure.

One of the most important problems in the Economic and Social Council Committee has been that of the commissions and committees to be established. One view was that this should be left for determination by the Council itself. The procedure adopted is to recommend the establishment of specified commissions and committees on the ground that this is essential in order to expedite the Council's work on the tremendous economic and social problems left as a heritage of the war. The recommendation would be for the Council to establish a Commission on Human Rights, an Economic and Employment Commission, a Temporary Social Commission, a Statistical Commission, and possibly a Demographic Commission, a temporary

Transport and Communications Commission, and a Fiscal Commission.

The Human Rights Commission is the only commission the creation of which is made mandatory by name in the Charter. This is a testimony to the universal determination of the peoples of the members of the United Nations that such a flagrant disregard of the basic and inviolable rights of man as we have witnessed in recent years shall not happen again. Under the recommendations of the Executive Committee the work of the Commission would be directed toward the formulation of an international bill of rights, the formulation of recommendations for an international declaration or convention on such matters as civil liberties, status of women, and freedom of information, protection of minorities, prevention of discrimination on grounds of race, sex, language, or religion, and any matters within the field of human rights considered likely to impair the general welfare or friendly relations among nations.

The Executive Committee examined in detail the problems involved in bringing specialized agencies such as the Food and Agriculture Organization, the International Labor Organization, and the United Nations organization on education, science, and culture into relationship with the United Nations. As the Committee could not agree on recommendations, it agreed to the transmission of its report as "observations". The competent Committee of the Preparatory Commission has agreed to submit the report to the General Assembly "to serve as a guide to the Economic and Social Council in its negotiations with specialized agencies". A mere enumeration of the coverage of the report shows clearly the great importance and complex character of the task imposed upon the Economic and Social Council by articles 57 and 63 of bringing into relationship with the United Nations the various specialized agencies, having wide international responsibilities in economic, social, cultural, educational, health, and related fields. This would be accomplished through agreements negotiated by the Economic and Social Council with the several agencies. The items listed in the report for inclusion in such agreements include reciprocal representation, exchange of information and documents, recommendations to specialized agencies, assistance to the Security and Trusteeship Councils, requests for advisory opinions, requests for information by the International

Court of Justice, budgetary and financial relationships, personnel arrangements, privileges and immunities, central statistical service, and location of headquarters.

Considerable attention in the press has been given to the consideration of trusteeship by the Executive Committee and the Preparatory Commission. There has been no difference of view in these bodies as to the ultimate objective. The discussion has revolved around the question of the immediate action to be taken, this being precipitated by the fact that under article 86 of the Charter the Trusteeship Council cannot be formed until a number of territories shall first have been placed under trusteeship. The Council will consist of the members administering trust territories and as many other members elected for three-year terms by the General Assembly as may be necessary to insure that the total number of members is equally divided between the members which administer trust territories and those which do not. Any of the five permanent members of the Security Council not administering trust territories would be included in the second category, but with permanent tenure.

There was very strong opposition on the part of a minority to the recommendation adopted by the Executive Committee for the establishment of a Temporary Trusteeship Committee to consist of (1) the five permanent members of the Security Council, (2) other member states presently administering mandated territories, (3) any other member states to which may be allocated administration of territories detached from the enemy as a result of the second World War, with a view to their becoming trust territories, (4) as many other member states, to be elected by the General Assembly, as necessary to equalize administering and non-administering states.

It now seems likely that this proposal will be dropped by the Preparatory Commission with a view to the General Assembly making such *ad hoc* arrangements as it deems wise pending the negotiation of a sufficient number of trusteeship agreements to bring the Council into existence.

The principal question controverted in the case of the Secretariat has been that of the internal organization of the Secretariat. This turned on the question whether the Secretariat should be organized predominantly by organs or on so-called "functional" lines. The Executive Committee rec-

ommendations were "based upon the principle that the Secretariat should be organized functionally, each administrative unit being at the disposal of any organ of the United Nations for the performance of work falling within its competence". This it was urged would make for a more efficient utilization of personnel than perpendicular organization by organs. The minority view, which was particularly concerned with the Security Council, felt that this did not give sufficient assurance of a permanent secretariat serving the several organs. This was urged especially to be the case in view of the provision in article 101 that appropriate staffs shall be permanently assigned to the various organs, these staffs to form a part of the Secretariat.

Upon reexamination of the question in the Administrative and Financial Committee of the Preparatory Commission, it has been agreed that there is no real conflict in these two views. Under the plan as agreed upon, staffs would be permanently assigned to the several organs but would at the same time be subject to call for service to any other organ, every organ having at its disposal the whole of the Secretariat. The one exception to this rule would be the units of the Department of Security Council Affairs concerned with military and enforcement measures, which would serve exclusively the Security Council. This is based upon the exclusive competence of the Security Council in military and enforcement measures.

Emphasis in the Preparatory Commission has been upon the necessity for giving the Secretary-General ample latitude for determining and adjusting the organization of the Secretariat in the light of its needs and experience. The recommendation presently agreed upon is that at the outset the departmental organization should, broadly speaking, conform to the plan proposed by the Commission but that the Secretary-General should make such changes in the initial structure as might be required to accomplish the most effective distribution of responsibilities and functions.

Thus the Secretariat will be a single working body internally organized to deal most conveniently with the various aspects of the operations of the United Nations. This is in recognition of the fact that all the organs it serves have their responsibilities in the primary common task of maintaining peace and security—the task which is the unifying principle of the whole organization.

The President and the Secretary of State Pay Tribute to the Foreign Service

[Released to the press December 20]

High tribute to the members of the American Foreign Service has been paid by President Truman and Secretary Byrnes in Christmas messages made public in the December issue of *The American Foreign Service Journal*.

President Truman in his message stresses the contributions made by the American Foreign Service in the winning of the war and expresses himself as fortunate in having the support and counsel of all members of the Service in making secure the peace.

Secretary Byrnes lauds the Foreign Service for its significant contribution to the common victory and expresses appreciation for its generous cooperation and assistance. He voices his every confidence that the Foreign Service will meet its increased responsibilities and cope with the difficult and complex international problems arising everywhere in the future, as it has in the past, with loyalty, integrity, and singleness of purpose.

The text of the President's message follows:

TO ALL MEMBERS OF THE AMERICAN FOREIGN SERVICE:

I am delighted to express to you my sincere best wishes for the Christmas season and to congratulate you upon your achievements in the year which is drawing to a close. At this Christmas, the first since victory, you may well feel proud of the contributions you have made to the winning of the war against the forces of evil.

As emissaries of good will, and first line representatives of the American people at your outposts throughout the world, none knows better than you that victory is not enough. The despair which the liberation lifted from so many hearts will return unless we can help men to find food, clothing and shelter, help them to trust and understand one another, and, through wise policy, create the conditions in which we may exchange our goods for the benefit of all. Thus can the peace be made secure.

This is a task to which I pledge myself, and I know that I am fortunate in having the support and counsel of all of you in the Foreign Service of the United States.

HARRY S. TRUMAN

The text of the Secretary's message follows:

TO THE AMERICAN FOREIGN SERVICE:

Christmas this year is one of particular satisfaction and joy for all of us. We may rightfully take pride in a job well done, a victory well won. The Foreign Service made a significant contribution to the common victory and you may be sure that it has been realized and appreciated.

We, in the Department, are well aware of the sacrifices made and the hardships endured by the Foreign Service during the war—without complaint and in good spirit. All of you have worked hard in the most trying circumstances, many of you have had prolonged assignments abroad without relief, some of you have been separated from your families for long periods. We hope that it will be possible very soon to remedy all that and we shall make every effort to do so.

I should like to be able to say to you that, now that the war is over, the Foreign Service can relax its efforts and rest a while on well-earned laurels, but I think that you realize, perhaps better than anyone, the enormity of the task before us. If anything, the Foreign Service will have to redouble its efforts in the forthcoming year to meet its increased responsibilities and to cope with the difficult and complex international problems arising everywhere. Let us make no mistake about it, the period before us will be arduous and demanding. It will test our judgment, try our patience and challenge our perseverance. But I have every confidence that the Foreign Service will rise to the occasion in the future, as it has in the past, with loyalty, integrity and singleness of purpose.

In the year to come there will be changes in the Foreign Service, some of which may be far reaching in consequence. These are necessary if the Service is to function as it should. The constructive and helpful attitude of the members of the Foreign Service toward the reorganization of the Department and the Foreign Service has been most gratifying because it demonstrates a clear recognition of the need of strengthening and improving our machinery, and a keen interest in seeing it done.

I extend to each of you my sincerest wishes for a happy and successful new year, and I want to take this opportunity to thank you all for the generous cooperation and assistance you have already shown.

JAMES F. BYRNES

Our Obligation of Leadership

Address by ASSISTANT SECRETARY BRADEN¹

[Released to the press December 20]

This Millionth Map, which has been completed under the direction of the American Geographical Society, will in the long perspective be regarded as a great constructive achievement. It is the product of active and constructive collaboration by scientific institutions, by government bureaus, by industrial organizations, and by individuals throughout the American republics. The moral is clear. Progress, the enlargement of knowledge, the achievement of human security, all call for the constructive and determined collaboration of nations, of organizations, of individuals everywhere. We do not live alone and we cannot succeed alone.

Just as it is impossible for one man alone to make such a great map as this, so it is impossible for one single element in the nation alone to bring about relations of lasting friendship with the people of another nation. That, too, can come only from the countless threads of individual and collective association, woven together in an intimacy that brings warmth into human relationships.

That is the kind of foreign relations which we, the United States, desire to have. We cannot have it except as we respect ourselves and our obligations, at the same time respecting others and their rights in the same fashion that we expect them to respect us and our rights. We must seek to understand them as we hope they will understand us. We must never forget that intolerance begets intolerance, and that if we wish tolerance from others we must first nourish it in ourselves. In these ways we shall gain friends and benefit ourselves by helping others. The guiding principle, in these matters, must always be reciprocity. That is the root of all friendship.

As a former mining engineer who has roamed in the Andes and through the jungles of South America, I can appreciate not only the vastness of the cooperative undertaking represented by the

Millionth Map but the dangers that had to be faced in gathering the requisite information. Geographers will probably recall what Plutarch said of their far-distant predecessors, that they crowded into the outer edges of their maps the parts of the world about which they knew nothing, merely adding a note: "What lies beyond is sandy deserts full of wild beasts", or "blind marsh", or "Scythian cold", or "frozen sea". Now, in order to give the world the hundred and seven sheets of this map, you geographers have adventured into "what lies beyond". At the cost of personal peril and hardship, you have gone out into the unknown and vanquished and charted it. I find no legendary deserts "full of wild beasts" in the margins of *this* map!

If I allow myself to speak from experience of the practical difficulties that were overcome, I think I can allow myself to speak with still greater assurance, from personal experience, of the practical consequences that must follow the making of this map. "Morality", said Herbert Spencer, "knows nothing of geographical boundaries." However that may be, practical statesmanship is confronted by geographical boundaries at every turn of the road. During the three years of negotiating to put an end to warfare in the Chaco, one of the greatest obstacles we faced was the lack of any adequate maps. The most accurate of the maps on which we had to depend was as much as 60 kilometers out in some places. I recall the occasion when we mediators received from one of the parties to the dispute three or four maps we had not seen before. We mentioned this to the representative of the other party, who promptly replied: "Oh, if it's maps you want, I'll give you plenty." Within the week, we had received 150 maps, all of them different!

In point of fact, the settlement in the Chaco was influenced by the natural features of the terrain, since we set the final boundary in such a way that 130 kilometers of desert, completely arid, would serve as a natural barrier to reinforce it.

The practical point I make here, however, is that, had accurate and authoritative maps been available in the past, one cause of international misun-

¹ Delivered in New York, N.Y., on Dec. 19, 1945 before the Council of the American Geographical Society in celebration of the completion of the Society's Millionth Map of Hispanic America. Requests for complete text of this address should be made to the Division of Research and Publication, Department of State, Washington 25, D. C.

derstanding in this hemisphere might have been eliminated, thereby reducing loss of life and all the other horrors of warfare.

The lack of good maps has been behind many disputes in the western world, although I am informed that there are still about a dozen instances in this hemisphere of boundaries that remain undelimited or at least undemarcated. This, thanks in great part to the geographers, is a rapidly disappearing cause of international differences.

Such differences breed fears and suspicions that are always likely to become exaggerated out of all proportion. If there is one thing I learned from the protracted negotiations of the Chaco settlement, it is that mutual fear and suspicion between contiguous countries, especially when their armies are facing each other at close quarters, make war all but inevitable.

The development of transportation and communications has now brought all the continents and countries of the earth into close quarters, facing one another, armed with weapons of hitherto unimagined range and destructive power. To ignore any source whatsoever of fear and suspicion, under such circumstances, would be to court catastrophe. Now the principal, I may almost say the universal, source of fear and suspicion is simple ignorance. Therefore, it is imperative that statesmen see to it that the vast areas of ignorance still existing in the world—the “sandy deserts full of wild beasts”—be transformed into areas of knowledge. They must plot every river and stream, every contour, in the landscape of international relations. They must achieve detailed, accurate, and comprehensive knowledge based on the scientific approach exemplified by the cartographers.

Responsibility for the spread of knowledge falls on every nation, but especially on such a power as the United States, with its vast resources.

We, the United States, are committed by our basic principles and by international agreements not to use our power to subvert human freedom or human rights anywhere. On the contrary, we must use all the influence that our power gives us to encourage human freedom and promote respect for the basic rights of man in the world. This attitude is nowhere more clearly illustrated than in our conduct under the good-neighbor policy and its corollary policy of non-intervention.

In respect particularly of the policy of non-intervention, we are and must be especially sensitive. For no one will particularly fear the inter-

vention of the small and the weak, but the very fact of great size and strength arouses fear of what might happen should we be tempted to resort to intervention. . . .

It must be quite evident to anyone who has dealt with these problems that non-intervention cannot be negative either in concept or in practice. It is affirmative and positive by the very nature of things, since whatever we refrain from doing and whatever we refrain from saying may constitute intervention to the same degree as anything we actually do or say. We can dishonor our commitments to the cause of human freedom and to the principle of non-intervention equally by inaction as by action. If this were not so, then non-intervention would be a means for defeating the cause of freedom and encouraging the growth of tyranny. Surely this is not what is meant by non-intervention! I say we must be especially sensitive, in view of our great power, to our obligation of non-intervention. We must lean backwards. But we must lean backwards for the purpose of avoiding intervention by action and by inaction alike.

The problem we face is not how to avoid using our power. We cannot possibly avoid using it, for it weighs in the balance just as much even when we do not deliberately apply it or when we deliberately seek to avoid applying it. Not to use our power may be, in actuality, to *misuse* our power. The danger is equally great. To my mind the conclusion is inescapable that if a nation has great power, as we have it in abundance, it cannot shun the obligation to exercise commensurate leadership.

Leadership, exercised positively by us on behalf of human rights, is an obligation we must accept. Our own freedoms, our own way of life, our own democratic form of government, all depend on it. As you cartographers prepare your maps, scientifically and with infinite pains, so must our statesmen chart the course which leads to peace in the world, to human security, and to the permanent realization by mankind of its noblest aspirations. To do this, we must replace ignorance by knowledge. Whatever the difficulties and perils, we must prepare a millionth map of statesmanship to guide us in every field of international endeavor—social, economic, and political. In short, by emulating the splendid work of this great institution, the American Geographical Society, we can march forward to meet the future with confidence.

The Record of the Week

International Meetings

CALENDAR OF EVENTS

Reparation Conference	Paris	November 9–December 20
Preparatory Commission of the United Nations	London	November 24 (continuing in session)
Anglo-American Committee of Inquiry	Washington	December 10 (continuing in session)
Meeting of Foreign Secretaries: Great Britain, Soviet Union, and United States	Moscow	December 15 (continuing in session)
United Nations Organization: General Assembly	London	January 10
Far Eastern Commission	Washington	October 30–December 21
Geodesy and Geophysics Conference: Executive Committee	London	December 10–17
International Commission of the Rhine River	Strasbourg	December 12–14
Inland Transport Committee of International Labor Organization	London	December 13–20

COMMENTS AND DEVELOPMENTS

United Nations

To the Senate of the United States:

In conformity with the provisions of S. 1580, I am sending to the Senate herewith for its advice and consent nominations of the American representatives and alternate representatives for the first part of the first meeting of the General Assembly of the United Nations which is to convene in London early in January. I am also sending to the Senate herewith the nomination of the American representative to the Security Council which will also meet in London sometime in January as soon as that body has been established through the election of its non-permanent members by the General Assembly.

Section 2(d) of the pending bill wisely provides that the President, or the Secretary of State at the direction of the President, may represent the United States at any meeting of the United Nations regardless of those provisions which call for the appointment of representatives by and with the advice and consent of the Senate. At my request the Secretary of State will, for at least a portion of the session, attend the initial session of the General Assembly. For that reason I am sending to the Senate the nominations of only four representatives to the General Assembly. The Secretary of State will, during the period he is present, act as the senior representative of the United States to the General Assembly. The nominations of the alternates will insure that there will at all times be five representatives of the United States qualified under the provisions of S. 1580.

HARRY S. TRUMAN

NOMINATIONS SENT TO THE SENATE DECEMBER 19, 1945:¹

Edward R. Stettinius, Jr., of Virginia, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

The following-named persons to be Representatives of the United States of America to the first part of the First Session of the General Assembly of the United Nations to be held in London, January 1946:

Edward R. Stettinius, Jr., of Virginia
 Tom Connally, United States Senator from the State of Texas
 Arthur H. Vandenberg, United States Senator from the State of Michigan
 Mrs. Anna Eleanor Roosevelt, of New York

In the absence of the President or the Secretary of State, Mr. Stettinius will be the Senior Representative of the United States of America to the first part of the First Session of the General Assembly.

The following-named persons to be Alternate Representatives of the United States of America to the first part of the First Session of the General Assembly of the United Nations to be held in London, January 1946:

Sol Bloom, a Member of the United States House of Representatives from the State of New York

¹These nominations were confirmed by the Senate on Dec. 20, 1945.

Charles A. Eaton, a Member of the United States House of Representatives from the State of New Jersey
 Frank C. Walker, of Pennsylvania
 John Foster Dulles, of New York
 John G. Townsend, Jr., of Delaware

The Preparatory Commission of the United Nations on December 22 voted, 25 to 5 in favor with 10 abstentions, to place the permanent UNO headquarters in the eastern United States. The Commission established a 12-nation subcommittee to select up to 6 sites for the General Assembly's final choice from an area bounded on the west by the Mississippi River. The subcommittee, formed of representatives of Australia, China, Cuba, France, the Netherlands, Iran, the Soviet Union, Great Britain, Uruguay, Yugoslavia, Iraq, and Poland, will make an inspection trip to the United States.

UNO. By a vote of 344 to 15, the House of Representatives passed on December 18 a Senate-approved bill providing for the appointment of United States representatives to UNO and its subordinate agencies. Minor perfecting amendments required sending the measure to conference. The main difference between the House and Senate bills is a House provision permitting members of Congress to serve as representatives to specified sessions of the General Assembly but without pay beyond their regular congressional salaries. On December 19 the House and Senate completed congressional action on the United Nations participation bill by approving the Senate-House conference compromise.

International Commission of the Rhine River. Livingston Merchant accepted the chairmanship of the Technical Committee. The next meeting of the Commission, which will be on January 17, 1946 in Brussels, will be attended by representatives from the Duisburg Committee (Tripartite Zonal Committee of Germany) and from the European Central Inland Transport Organization.

Charter of the United Nations. Julián R. Cáceres, Ambassador of Honduras, deposited the instrument of ratification of the Charter by Honduras on December 17.

César Montero de Bustamante, Chargé d'Affaires ad interim of Uruguay, deposited the Uruguayan instrument of ratification of the Charter on December 18.

The Charter has been approved by the legislative bodies of Belgium, Ecuador, and Iraq, but those three countries have not yet deposited their instruments of ratification.

This deposit by Honduras and Uruguay makes a total of 48 of the 51 signatory nations that have taken this action.

Bretton Woods Agreements. The signing of the Bretton Woods Fund and Bank agreements is scheduled to take place on Thursday, December 27, 1945 in the Department of State on behalf of the United States of America and of such of the other countries signatory to the Final Act of the United Nations Monetary and Financial Conference held at Bretton Woods in July 1944 as are prepared to sign those agreements on that date. The Secretary of the Treasury, Fred M. Vinson, has been authorized by the President to sign the two agreements on behalf of the United States.

China, Czechoslovakia, Egypt, Ethiopia, the Philippine Commonwealth, and the Union of South Africa have al-

ready indicated their readiness to sign the agreements. The Department is also informed that Belgium, Canada, Colombia, Cuba, Ecuador, Guatemala, France, the Netherlands, Venezuela, and Yugoslavia may be prepared to sign the agreements with the United States, and that by December 27 a number of other countries will probably accept them.

No quota in the Fund or subscription to the Bank has as yet been fixed for Denmark, the forty-fifth country.

The total of the quotas for the Fund is \$8,800,000,000, and the total of the subscriptions to the Bank is \$9,100,000,000. Sixty-five percent of those amounts would be, respectively, \$5,720,000,000 (Fund) and \$5,915,000,000 (Bank). The aggregate quotas and aggregate subscriptions of the countries indicated above are considerably more than the 65 percent of the total of the quotas and of the subscriptions, respectively, necessary to bring the two agreements into effect.

It is provided in each of the agreements that as soon as it enters into force each member country shall appoint a governor to the Fund and to the Bank, and that the first meeting of the Board of Governors of the Fund and the Board of Governors of the Bank shall be called by the member having the largest quota or the largest subscription, as the case may be, thus inaugurating the Fund and Bank. The quota and the subscription of the United States are the largest of those fixed for the Fund and Bank, respectively.

Far Eastern Commission

CHAIRMAN

Maj. Gen. Frank R. McCoy (U. S. A., Ret.)

DELEGATIONS

Australia: Sir Frederic Eggleston (Minister); Mr. John Oldham; Maj. J. Plimsoll

Canada: Mr. Lester B. Pearson (Ambassador); Maj. Gen. H. F. G. Letson; Brig. N. E. Rodger; Mr. R. E. Collins; Mr. Graham Morrow; Mr. P. Tremblay; Mr. A. E. Ritchie

China: Dr. Wei Tao-ming (Ambassador); Dr. Liu Shih-Shun; Dr. Hollington K. Tong; Lieut. Gen. Chu Shih-ming; Mr. Yang Yun-chu; Mr. Hsia Ching-lin; Maj. Gen. Wang Pei Chen; Mr. Timothy Tien-Tseh Mar; Mr. Wang Shou Chin

France: Mr. Paul E. Naggiar; Mr. Francis Lacoste; Mr. Paul Guerin; Mr. Pierre Sauvageot; Mr. Christian Valensi; Mr. Ernest Castan; Mr. Ricaud; Mr. Blanc; Mr. El Ghazi; Col. Victor Morizon; Col. Vandenbrouke; Commander Holley Williams; Commander Benedictus; Mr. Jean C. Baube

India: Sir Girja Shankar Bajpai; Mr. R. R. Saksena

Netherlands: Dr. A. Loudon; Dr. de Kat Angelino; Mr. O. Reuchlin; Dr. G. A. Ph. Weyer

New Zealand: Mr. C. A. Berendsen (Minister); Mr. J. S. Reid; Air Commodore J. L. Findlay; Col. W. N. Pharazyn

Philippines: Brig. Gen. Carlos Romulo; Mr. Manuel A. Adeva; Mr. Tomas Confesor; Dr. Jose F. Imperial; Dr. Urbano A. Zafra; Dr. Melquiades J. Gamboa; Dr. Leopoldo T. Ruiz

United Kingdom: Lord Halifax (Ambassador); Sir George Sansom; Mr. B. Cockram; Col. W. A. Howkins; Mr. M. E. Bathurst; Mr. F. C. Everson; Mr. M. B. Thresher

United States: Maj. Gen. Frank R. McCoy (U. S. A., Ret.); Mr. E. R. Dickover; Col. C. Stanton Babcock; Dr. George H. Blakeslee

SECRETARIAT

Secretary General: Mr. Nelson T. Johnson

Deputy Secretary General: Mr. Harold W. Moseley

Assistant Secretary General: Mr. John P. Gardiner

Executive Secretary: Mr. Hugh D. Farley

Documents Officer: Mr. Richard D. Weigle

Administrative Assistant: Mr. Charles H. Pendleton

Recording Secretary: Mr. Carl H. Pfuntner

The Far Eastern Commission, under the chairmanship of the American representative, Maj. Gen. Frank R. McCoy, is leaving Washington on December 26 for a visit to Japan. This Commission, which has been set up in Washington on the invitation of the United States Government, is established for the purpose of enlisting the consultation of those governments concerned with the occupation of Japan on matters of policy relating to the occupation. The visit to Japan is for the purpose of permitting the members of the Commission to consult with General of the Army MacArthur, Supreme Commander for the Allies, and to inform themselves of present conditions and problems connected with the occupation.

The Commission will spend about three weeks in Japan. It will travel to and from Japan on the U.S.S. Mount McKinley and while in Japan will use the ship as a place to live and work, thus relieving the Supreme Commander of the necessity of finding housing accommodations for such a large group. It is expected that the Commission will return to Washington about the middle of February.

The Supreme Commander has indicated that he looks forward to the visit of the Commission as an opportunity for consultation from which he expects the greatest possible aid.

Anglo-American Committee of Inquiry. It was announced on December 20 by the American chairman of the Anglo-American Committee of Inquiry after a trans-Atlantic telephone conversation with Sir John E. Singleton, the British chairman, that hearings will open in Washington on January 7, 1946 before the full Committee.

The Committee issued this statement in Washington and London:

"After discussion it was the view of the Committee that they should begin their deliberations in London and Washington. It was considered in the circumstances that the best procedure was for the British members to join their American colleagues in Washington and for the whole Committee to return to London as the best point of departure for the countries in which problems arose."

The Committee was appointed by President Truman and Prime Minister Attlee "To examine political, economic, and social conditions in Palestine as they bear upon the

problem of Jewish immigration" and "To examine the position of the Jews in those countries in Europe where they have been the victims of Nazi and Fascist persecution."

Members of the Committee are continuing their study of the background of the problems in preparation for the Washington hearings and the examination of conditions in Europe and Palestine.

Another meeting of the American members was held at the State Department on December 20. The appointment of Leslie L. Rood as secretary of the Committee was announced. Evan M. Wilson and F. Vickery Loud are to be Committee research assistants and William Rountree its administrative assistant.

Various Jewish, Arab, and Christian groups which have manifested interest in these problems are being invited to submit their views before the Committee. While the Committee has endeavored to issue invitations to all organizations concerned, it will welcome a submission of views by other organizations. Advice on the method of presentation may be obtained by communicating with the secretary of the Committee at the State Department.

Recognition of New Yugoslav Regime

[Released to the press December 22]

Instruction sent to the American Ambassador in Belgrade

The Yugoslav Ambassador on December 10 transmitted to the Secretary of State the following communication:

"The Ambassador of Yugoslavia presents his compliments to the Honorable the Secretary of State and has the honor to notify the Government of the United States of America that the Yugoslav Constituent Assembly in the session of the 29th of November 1945, in accordance with the freely expressed will of the peoples of Yugoslavia, in the name of the people and in the name of the legal decisions taken by both houses of the Constituent Assembly, proclaimed Democratic Federative Yugoslavia a people's republic with the name 'Federative People's Republic of Yugoslavia'. By the same decision the monarchy has been abolished and Peter Karadjordjevic together with the entire Karadjordjevic dynasty deprived of all rights previously vested in him and in his dynasty.

"On the 1st of December, 1945, the Constituent Assembly enacted the law of the Presidium of the Constituent Assembly. Under this law the Presidium of the Constituent Assembly is elected by both houses and consists of one president, six vice presidents, two secretaries and a maximum of thirty members. According to paragraph three of said law the Presidium, among other executive functions, represents inside and outside the country, the sovereignty of the people and of the state as the Federative People's Republic of Yugoslavia. The Presidium appoints the ambassadors, plenipotentiary ministers and extraordinary envoys to foreign countries at the proposal of the Federative Government. The Presidium receives the credentials of the diplomatic representatives of foreign countries. According to paragraph six, when the Constituent Assembly becomes the regular Assembly the Presidium of the Constituent Assembly *ipso facto* becomes the Presidium of the regular Assembly. This law became effective on

adoption by the Constituent Assembly the 1st of December, 1945.

"In accordance with this law, the Presidium of the Constituent Assembly was elected as follows: President: Ivan Rybar, former president of the Provisional Assembly; Vice Presidents: Mosa Pijade, Filip Lakus, Josip Rus, Djuro Pucar, Dimitri Vlahov and Marko Vujacic; Secretary: Mile Perunicic."

The following reply dated December 22 has now been communicated to the Ambassador:

"The Acting Secretary of State presents his compliments to His Excellency the Ambassador of Yugoslavia and has the honor to inform the Ambassador that the United States Government, having taken note of the contents of the Ambassador's communication no. A. Br. 1070 of December 10, 1945, recognizes the changes which have taken place in the constitution of Yugoslavia and the establishment of a republic under the name 'Federative People's Republic of Yugoslavia' in accordance with decisions of the Constituent Assembly referred to therein.

"It is assumed that, pursuant to international custom, the new Yugoslavia Government will, as a member of the family of nations and as one which has subscribed to the principles of the Declaration by the United Nations, accept responsibility for Yugoslavia's international obligations, and be disposed to confirm its continued recognition of the existing treaties and agreements between the United States and Yugoslavia. Upon receipt of assurances in this sense, the United States Government is prepared to proceed with the issuance of appropriate letters of credence accrediting the United States Ambassador in Belgrade to the new Yugoslav regime."

Mindful of the obligations which it assumed at Yalta, the United States Government has consistently made known its attitude that the people of Yugoslavia are entitled to expect the effective implementation of the guarantees of personal freedom, freedom from fear, liberty of conscience, freedom of speech, liberty of the press and freedom of assembly and association contained in the agreement between Marshal Tito and Dr. Subasic underlying the Yalta Declaration and to have an opportunity to express their will in a free and untrammelled election. In view of conditions existing in Yugoslavia, it cannot be said that those guarantees of freedom have been honored nor that the elections conducted on November 11 provided opportunity for a free choice of the people's representatives. In the circumstances the United States Government desires that it be understood that the establishment of diplomatic relations with the present regime in Yugoslavia should not be interpreted as implying approval of the policies of the regime, its methods of assuming control or its failure to implement the guarantees of personal freedom promised its people. You should make it quite clear to the authorities and people of Yugoslavia that we entertain only the friendliest sentiments toward the peoples of the country and that it is our anticipation that the evolution of events will provide developments which will make possible those relations—both political and economic—between the peoples of Yugoslavia and the United States which we on our part most urgently desire to see.

Withdrawal of Request Deferring British-Siamese Agreement

[Released to the press December 22]

The British-American conversations regarding certain terms of the proposed British-Siamese agreement have now been concluded. The Department of State has accordingly notified both the British and Siamese Governments that it is withdrawing its recent request that they defer final conclusion of the agreement while those conversations were in progress. This Government appreciates the courtesy of both Governments in acceding to its request.

U. S. Concern Over Developments in Netherlands East Indies

[Released to the press December 19]

In bringing to a conclusion the war against Japan there was assigned to the South East Asia Command, on behalf of the Allies, the responsibility of accepting the Japanese surrender in the Netherlands East Indies, of disarming and removing the Japanese forces, of securing the surrender of Japanese equipment, of liberating or repatriating Allied prisoners of war, and of assuring the safety of more than 100,000 civilians, the majority of them women and children, who had been interned by the Japanese.

The carrying out of this mandate has been complicated by the differences between Indonesians and the Netherlands authorities. It has been necessary in connection with the Allied objectives for the troops under the South East Asia Command to assure such order as is necessary for their execution.

In connection with the responsibilities relating to the surrender of the Japanese in the Netherlands East Indies there was no thought so far as the United States was concerned of extending the Allied mandate beyond these specific responsibilities.

The United States Government has viewed with increasing concern recent developments in the Netherlands East Indies. It had hoped that conversations between the Indonesians and the Netherlands authorities would have resulted in a peaceful settlement recognizing alike the natural aspirations of the Indonesian peoples and the legitimate rights and interests of the Netherlands. There has apparently been a cessation of these conversations.

The United States recognizes that the primary responsibility for arriving at agreement lies with the Netherlands authorities, as representatives of the territorial sovereign, and the Indonesian leaders. The United States cannot fail, however, to be deeply interested in the solution which may be achieved of problems that are of vital importance to the entire world. Our sole desire is to see such peaceful settlement achieved as will best promote world stability and prosperity and the happiness of people. Such a settlement can be attained only through a realistic, broad-minded, and cooperative approach on the part of all concerned and a will to reconcile differences by peaceful means. Extremist or irresponsible action—or failure to present or consider specific proposals—can lead only to a disastrous situation.

The United States earnestly hopes that all parties in the Netherlands Indies will see the necessity of an early resumption of conversations looking toward a peaceful solution of the conflict in the Netherlands East Indies which will be in harmony with the principles and ideals of the Charter of the United Nations Organization and of the United Nations Declaration under which victory over the Axis was achieved.

U. S. Takes Possession of Japanese Property

[Released to the press December 20]

At 3:30 on the afternoon of December 20 the United States Government formally took custody from the Swiss Legation of the Japanese diplomatic and consular premises and property which had been under the protection of the Swiss Government. This transfer was accomplished by means of a protocol signed jointly by Mr. Charles Bruggmann, Minister of Switzerland, and Mr. Donald Russell, Assistant Secretary of State.

The relinquishment of custody of this property by the Swiss Government was in accordance with instructions given by the Japanese Government, based upon a directive issued by General MacArthur on October 25, 1945.

According to the protocol of transfer, the Swiss Legation not only released to the Department of State the Japanese diplomatic and consular property at Washington but also agreed to release any Japanese property under the protection of the Swiss Consulates at New York, San Francisco, Chicago, Los Angeles, New Orleans, and Seattle. The details relating to this phase of the transfer will be accomplished between field representatives of the Department and the local Swiss consular officials.

The Legation of Switzerland at Washington has been charged with the representation of Japanese interests in the United States with the exception of the Territory of Hawaii since last July. The handling of this work has been the special responsibility of Werner E. Weingartner, Chief of the Legation's Special Division. Representation of Japanese interests in the United States from the outbreak of the war with Japan until March of this year was in the hands of the Spanish Government. In the interim, the Japanese premises at Washington were accorded protection by the United States Government.

The representation of Japanese interests in the Territory of Hawaii is the responsibility of the Swedish Government and is handled by the Swedish Legation at Washington and the Swedish Consulate at Honolulu. It is expected that the release to the custody of the United States Government of the Japanese diplomatic and consular premises, archives, and other property in the Territory of Hawaii will be accomplished in the near future.

These premises will be used for official purposes, including one small wing reserved for use by the Department of State in connection with the custody of Japanese archives and for the activities of the Swiss Legation in protecting the interests of individual Japanese nationals, which will continue, in accordance with General MacArthur's directive.

American Firms Charged With Aiding Mexican Political Factions

The Department of State announced on December 18 that the American Ambassador at Mexico City has informed the Department of State of a speech made by the Mexican labor leader, Vicente Lombardo Toledano, charging private American firms with supplying arms and ammunition to Mexican political factions. In view of the seriousness of these charges, the Department has asked Ambassador Messersmith to inquire of the Mexican Minister for Foreign Affairs concerning any information he may be able to supply regarding this matter.

The Department of State announced on December 21 that the following statement has been made to Ambassador Messersmith by the Mexican Under Secretary for Foreign Affairs:

- (1) The Government of Mexico does not associate itself with or support the statements of Sr. Lombardo Toledano.
- (2) The Mexican Government will see that the appropriate investigations are made in an endeavor to clear up the matter and the American Embassy will be informed of the result of such investigation.

The Government of Mexico has authorized the communication to the press of the foregoing two-point statement.

Canada and U. S. To Simplify Customs Procedures

[Released to the press December 21]

Statement released simultaneously in Ottawa and Washington

Representatives of the Canadian and United States Governments met in Ottawa on December 17-19 and discussed a number of mutual problems arising by reason of the termination of the war, or of renewed interest because of that event, and relating to the simplification of customs procedures at the border. This exchange of views has been helpful and it has been found that there are many problems which require further study and action for the benefit of citizens of both countries. The two governments have approved a recommendation that there be set up a Joint Committee to consider and report on ways and means of facilitating the entry through their respective Customs of passengers, goods and vehicles, including aircraft.

Bearing in mind the successful cooperation of the two countries during the war through the implementation of the Hyde Park Declaration and the expressed desire of both governments to ensure the maximum flow of goods and services contributory to an expanding economy, the Committee will study and make recommendations upon such problems as the following:

1. Further simplification of customs procedures affecting travelers and tourists.
2. Customs arrangements relating to the joint use of airports located near the United States-Canadian boundary and to the entry of tourist aircraft.

3. Entry and in-transit movement of foreign motor vehicles, including aircraft, with or without goods or passengers.

4. Examination and documentation for movements of goods by rail.

5. Coordination of administrative practices.

The Committee will include representatives of the Customs authorities of both governments, the Department of External Affairs, the Department of State and other Departments of both governments. Its recommendation will be made jointly through the Department of External Affairs and the Department of State.

In view of the character of some of the problems, the Committee will commence its work as soon as possible.

France and Netherlands To Join AACC

[Released to the press December 20]

The Governments of France and the Netherlands have accepted an invitation extended to them by the Governments of the United Kingdom and the United States of America to join the Anglo-American Caribbean Commission.

The name of the Commission will be changed appropriately, and a joint communiqué will be issued by the four Governments concerned in due course.

Letters of Credence

Poland

The newly appointed Ambassador of Poland, Oskar Lange, presented his letters of credence to the President on December 21. For texts of the Ambassador's remarks and the President's reply see Department of State press release 952.

Death of Elie Garcia

STATEMENT BY THE PRESIDENT

[Released to the press December 24]

I have been saddened at receiving the news of the death of Mr. Elie Garcia, the Chargé d'Affaires of the Haitian Embassy in Washington. Mr. Garcia had resided for a number of years in this capital, where he served his country with distinction as Secretary of the Haitian Embassy, and on several occasions as Chargé d'Affaires.

During the difficult times of the war years, Mr. Garcia's work in bringing into close harmony the policies and activities of the Haitian and United States governments contributed measurably to the successful prosecution of the two governments' war efforts.

I am today sending to President Lescot of Haiti my personal condolences upon the loss which I know he feels as a friend of Mr. Garcia of many years' standing. The Republic of Haiti has lost a faithful and loyal public servant.

STATEMENT BY ACTING SECRETARY ACHESON

[Released to the press December 24]

I have just learned with regret of the death at the Bethesda Naval Hospital of Mr. Elie Garcia, the Chargé d'Affaires of the Embassy of Haiti. Mr. Garcia, who represented his country for a number of years in Washington as Secretary of Embassy, had served his country to the end, ably and with outstanding success.

It was my pleasure, in the years when I was Assistant Secretary of State, to have collaborated with Mr. Garcia on a number of questions, involving not only the mutual problems of Haiti and of the United States, but also those dealing with the security and increased solidarity of the nations of the Western Hemisphere. I, and my associates in the Department of State, met unfailing understanding and cooperation from Mr. Garcia, of whom it may be truly said both that the people and government of the Republic of Haiti have lost a distinguished member of their diplomatic service, and that this country has lost a great friend.

THE FOREIGN SERVICE

Confirmations

On December 14, 1945 the Senate confirmed the nomination of H. F. Arthur Schoenfeld to be American Envoy Extraordinary and Minister Plenipotentiary to Hungary.

Diplomatic and Consular Offices

The American Embassy and the American Consulate at Tehran, Iran, were combined on December 6, 1945.

The American Consulate General at Tientsin, China, was opened to the public on December 17, 1945.

THE CONGRESS

Requesting the Secretary of State To Give Information Regarding the Resignation of Gen. Patrick J. Hurley and the Sabotage of Our Foreign Policy in China. H. Rept. 1376, 79th Cong., to accompany H. Res. 443. 7 pp. [Adverse report.]

Reorganizations in Executive Branch. H. Rept. 1378, 79th Cong., to accompany H.R. 4129. 11 pp.

Providing for the Appointment of Representatives of the United States in the Organs and Agencies of the United Nations, and To Make Other Provision With Respect to the Participation of the United States in Such Organization. H. Rept. 1383, 79th Cong., to accompany S. 1580. 8 pp. [Favorable report.]

Opening of Palestine for Free Entry of Jewish People. H. Rept. 1463, 79th Cong., to accompany H. Con. Res. 113. 2 pp. [Favorable report.]

Participation in the United Nations Organization. H. Rept. 1465, 79th Cong., to accompany S. 1580. 3 pp.

Restoration of Palestine as a Homeland for the Jewish

People. S. Rept. 855, 79th Cong., to accompany S. Con. Res. 44. 2 pp. [Favorable report.]

Enabling the United States To Further Participate in the Work of the United Nations Relief and Rehabilitation Administration. S. Rept. 856, 79th Cong., to accompany H.R. 4649. 3 pp. [Favorable report.]

Further Participation in Work of UNRRA: Hearings Before the Committee on Foreign Affairs, House of Representatives, Seventy-ninth Congress, first session, on H.R. 4649, a bill to enable the United States to further participate in the work of the United Nations Relief and Rehabilitation Administration. November 14, 15, 16, 19, 20, 21, 22, 23, 1945. ii, 374 pp. [Indexed.]

First Deficiency Appropriation Bill, 1946. S. Rept. 857, 79th Cong., to accompany H.R. 4805. 10 pp. [State Department, p. 8.]

Expediting the Admission to the United States of Alien Spouses and Alien Minor Children of Citizen Members of the United States Armed Forces. S. Rept. 860, 79th Cong., to accompany H.R. 4857. 2 pp. [Favorable report.]

Immunities for International Organizations. S. Rept. 861, 79th Cong., to accompany H.R. 4489. 7 pp. [Favorable report.]

Termination of Hostilities and Extension of Second War Powers Act of 1942: Hearings Before Subcommittee No. 4 of the Committee on the Judiciary, House of Representatives, Seventy-ninth Congress, first session, on H. Con. Res. 85, H. Con. Res. 86, H. Con. Res. 91, declaring the date of termination of hostilities in the present war; H.J. Res. 245, a joint resolution to declare September 2, 1945, as the date of cessation of hostilities in the present war; H. Con. Res. 98, declaring the end of the unlimited emergency, the national emergency, and the termination of hostilities of World War II; and proposed extension of certain titles of the Second War Powers Act of 1942. October 26 and 29, 1945. Serial No. 10. iii, 132 pp. [Department of State, p. 128.]

First Deficiency Appropriation Bill, 1946. H. Rept. 1464, 79th Cong., to accompany H.R. 4805. 12 pp.

First Deficiency Appropriation Bill for 1946: Hearings Before a Subcommittee of the Committee on Appropriations, United States Senate, Seventy-ninth Congress, first session, on H.R. 4805, a bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes. Part 1, ii, 600 pp. [Indexed.] Part 2, ii, 197 pp. [Indexed.]

Term of President of the United States: Hearings Before a Subcommittee of the Committee on the Judiciary, United States Senate, Seventy-ninth Congress, first session. . . . September 27, 1945. iii, 19 pp.

War Plants Disposal—Aircraft Plants: Hearing Before the Surplus Property Subcommittee of the Committee on Military Affairs and Industrial Reorganization Subcom-

mittee of the Special Committee on Economic Policy and Planning, United States Senate, Seventy-ninth Congress, first session, pursuant to S. Res. 46 and S. Res. 33. Part 1, October 29, 1945. iii, 65 pp. [Department of State, pp. 5-27.]

Stock-Piling: Hearing Before the Subcommittee on Surplus Property of the Committee on Military Affairs, United States Senate, Seventy-ninth Congress, first session, on S. 752 and S. 1481, bills to amend the act of June 7, 1939 (53 Stat. 811), as amended, relating to the acquisition of stocks of strategic and critical materials for national defense purposes, and S. 1522, a bill to regulate the disposition of accumulations of strategic and critical materials. October 30, 1945. iii, 76 pp.

Philippine Rehabilitation Act of 1945: Hearings Before the Committee on Territories and Insular Affairs, United States Senate, Seventy-ninth Congress, first session, on S. 1488, a bill to provide for the rehabilitation of the Philippine Islands, and for other purposes. October 22, 23, 24, 29, and 30, 1945. iii, 177 pp. [Department of State, pp. 74-85.]

Publications

of the DEPARTMENT OF STATE

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., who is the authorized distributor of Government publications. To avoid delay, address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

★*Diplomatic List*, December 1945. Publication 2437. ii, 137 pp. Subscription, \$2 a year; single copy 20¢.

Monthly list of foreign diplomatic representatives in Washington, with their addresses, prepared by the Division of Protocol of the Department of State.

★*Foreign Service List*, October 1, 1945. Publication 2416. ii, 65 pp. 15¢.

Officers in the American Foreign Service and their post assignments as of October 1, 1945.

A cumulative list of publications of the Department of State, from October 1, 1929 to July 1, 1945 (publication 2373), may be obtained from the Department of State.

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THE DEPARTMENT OF STATE BULLETIN

VOL. XIII, NO. 340

DECEMBER 30, 1945

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FOREIGN MINISTERS

REPORT BY THE SECRETARY OF STATE ON THE MOSCOW
CONFERENCE

THE FUTURE OF THE FOREIGN SERVICE

Radio Broadcast

TRUSTEESHIP AND NON-SELF-GOVERNING TERRITORIES IN THE
CHARTER OF THE UNITED NATIONS

By Ralph J. Bunche

*For complete contents
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THE DEPARTMENT OF STATE

BULLETIN

VOL. XIII • No. 340



PUBLICATION 2447

December 30, 1945

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Research and Publication, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest is included.

Publications of the Department, cumulative lists of which are published at the end of each quarter, as well as legislative material in the field of international relations, are listed currently.

The BULLETIN, published with the approval of the Director of the Bureau of the Budget, is for sale by the Superintendent of Documents, United States Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. The subscription price is \$3.50 a year; a single copy is 10 cents.

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U. S. SUPERINTENDENT OF DOCUMENTS

FEB 7 1946

Communiqué on the Moscow Conference of the Three Foreign Ministers¹

DECEMBER 27, 1945.

The Foreign Ministers of the Union of Soviet Socialist Republics, the United Kingdom, and the United States of America met in Moscow from December 16 to December 26, 1945, in accordance with the decision of the Crimea Conference, confirmed at the Berlin Conference, that there should be periodic consultation between them. At the meeting of the three Foreign Ministers, discussions took place on an informal and exploratory basis and agreement was reached on the following questions:

JAMES F BYRNES
ERNEST BEVIN
V. MOLOTOV

Dec 27/45

REPORT OF THE MEETING OF THE MINISTERS OF FOREIGN AFFAIRS OF THE UNION OF SOVIET SOCIALIST REPUBLICS, THE UNITED STATES OF AMERICA, THE UNITED KINGDOM.

At the meeting which took place in Moscow from December 16 to December 26, 1945 of the Ministers of Foreign Affairs of the Union of Soviet Socialist Republics, the United States of America and the United Kingdom, agreement was reached on the following questions:

JAMES F BYRNES
ERNEST BEVIN
V. MOLOTOV

Dec 27/45

I.

PREPARATION OF PEACE TREATIES WITH ITALY, RUMANIA, BULGARIA, HUNGARY AND FINLAND:

As announced on the 24th of December, 1945, the Governments of the Soviet Union, the United Kingdom, and the United States have agreed and

have requested the adherence of the Governments of France and China to the following procedure with respect to the preparation of peace treaties:

1. In the drawing up by the Council of Foreign Ministers of treaties of peace with Italy, Rumania, Bulgaria, Hungary, and Finland, only members of the Council who are, or under the terms of the Agreement establishing the Council of Foreign Ministers adopted at the Berlin Conference are deemed to be, signatory of the Surrender Terms, will participate, unless and until the Council takes further action under the Agreement to invite other members of the Council to participate on questions directly concerning them. That is to say:

A) the terms of the peace treaty with Italy will be drafted by the Foreign Ministers of the United Kingdom, the United States, the Soviet Union and France;

B) the terms of the peace treaties with Rumania, Bulgaria, and Hungary by the Foreign Ministers of the Soviet Union, the United States and the United Kingdom;

C) the terms of the peace treaty with Finland by the Foreign Ministers of the Soviet Union and the United Kingdom.

The Deputies of the Foreign Ministers will immediately resume their work in London on the basis of understandings reached on the questions discussed at the first plenary session of The Council of Foreign Ministers in London.

2. When the preparation of all these drafts has been completed, The Council of Foreign Ministers will convoke a conference for the purpose of considering treaties of peace with Italy, Rumania, Bulgaria, Hungary and Finland. The conference will consist of the five members of The Council of Foreign Ministers together with all members of

¹ Released to the press Dec. 27.

the United Nations which actively waged war with substantial military force against European enemy states, namely: Union of Soviet Socialist Republics, United Kingdom, United States of America, China, France, Australia, Belgium, Belorussian Soviet Socialist Republic, Brazil, Canada, Czechoslovakia, Ethiopia, Greece, India, the Netherlands, New Zealand, Norway, Poland, Union of South Africa, Yugoslavia, Ukrainian Soviet Socialist Republic. The conference will be held not later than May 1, 1946.

3. After the conclusion of the deliberations of the conference and upon consideration of its recommendations the States signatory to the terms of armistice with Italy, Rumania, Bulgaria, Hungary and Finland—France being regarded as such for the purposes of the peace treaty with Italy—will draw up final texts of peace treaties.

4. The final texts of the respective peace treaties as so drawn up will be signed by representatives of the States represented at the conference which are at war with the enemy states in question. The texts of the respective peace treaties will then be submitted to the other United Nations which are at war with the enemy states in question.

5. The peace treaties will come into force immediately after they have been ratified by the Allied States signatory to the respective armistices,¹ France being regarded as such in the case of the peace with Italy. These treaties are subject to ratification by the enemy states in question.

II.

FAR EASTERN COMMISSION AND ALLIED COUNCIL FOR JAPAN:

A. Far Eastern Commission.

Agreement was reached, with the concurrence of China, for the establishment of a Far Eastern Commission to take the place of the Far Eastern Advisory Commission. The Terms of Reference for the Far Eastern Commission are as follows:

I. ESTABLISHMENT OF THE COMMISSION.

A Far Eastern Commission is hereby established composed of the representatives of the

¹For the texts of the armistice terms for Rumania, see BULLETIN of Sept. 17, 1944, p. 289; armistice terms for Bulgaria, BULLETIN of Oct. 29, 1944, p. 492; armistice terms for Hungary, BULLETIN of Jan. 21, 1945, p. 83; and armistice terms for Italy, BULLETIN of Nov. 11, 1945, p. 748.

Union of Soviet Socialist Republics, United Kingdom, United States, China, France, the Netherlands, Canada, Australia, New Zealand, India, and the Philippine Commonwealth.

II. FUNCTIONS.

A. The functions of the Far Eastern Commission shall be:

1. To formulate the policies, principles, and standards in conformity with which the fulfillment by Japan of its obligations under the Terms of Surrender may be accomplished.

2. To review, on the request of any member, any directive issued to the Supreme Commander for the Allied Powers or any action taken by the Supreme Commander involving policy decisions within the jurisdiction of the Commission.

3. To consider such other matters as may be assigned to it by agreement among the participating Governments reached in accordance with the voting procedure provided for in Article V-2 hereunder.

B. The Commission shall not make recommendations with regard to the conduct of military operations nor with regard to territorial adjustments.

C. The Commission in its activities will proceed from the fact that there has been formed an Allied Council for Japan and will respect existing control machinery in Japan, including the chain of command from the United States Government to the Supreme Commander and the Supreme Commander's command of occupation forces.

III. FUNCTIONS OF THE UNITED STATES GOVERNMENT.

1. The United States Government shall prepare directives in accordance with policy decisions of the Commission and shall transmit them to the Supreme Commander through the appropriate United States Government agency. The Supreme Commander shall be charged with the implementation of the directives which express the policy decisions of the Commission.

2. If the Commission decides that any directive or action reviewed in accordance with Article II-A-2 should be modified, its decision shall be regarded as a policy decision.

3. The United States Government may issue interim directives to the Supreme Commander pending action by the Commission whenever ur-

gent matters arise not covered by policies already formulated by the Commission; provided that any directives dealing with fundamental changes in the Japanese constitutional structure or in the regime of control, or dealing with a change in the Japanese Government as a whole will be issued only following consultation and following the attainment of agreement in the Far Eastern Commission.

4. All directives issued shall be filed with the Commission.

IV. OTHER METHODS OF CONSULTATION.

The establishment of the Commission shall not preclude the use of other methods of consultation on Far Eastern issues by the participating Governments.

V. COMPOSITION.

1. The Far Eastern Commission shall consist of one representative of each of the States party to this agreement. The membership of the Commission may be increased by agreement among the participating Powers as conditions warrant by the addition of representatives of other United Nations in the Far East or having territories therein. The Commission shall provide for full and adequate consultations, as occasion may require, with representatives of the United Nations not members of the Commission in regard to matters before the Commission which are of particular concern to such nations.

2. The Commission may take action by less than unanimous vote provided that action shall have the concurrence of at least a majority of all the representatives including the representatives of the four following Powers: United States, United Kingdom, Union of Soviet Socialist Republics and China.

VI. LOCATION AND ORGANIZATION.

1. The Far Eastern Commission shall have its headquarters in Washington. It may meet at other places as occasion requires, including Tokyo, if and when it deems it desirable to do so. It may make such arrangements through the Chairman as may be practicable for consultation with the Supreme Commander for the Allied Powers.

2. Each representative on the Commission may be accompanied by an appropriate staff comprising both civilian and military representation.

3. The Commission shall organize its secretariat, appoint such committees as may be deemed advisable, and otherwise perfect its organization and procedure.

VII. TERMINATION.

The Far Eastern Commission shall cease to function when a decision to that effect is taken by the concurrence of at least a majority of all the representatives including the representatives of the four following Powers: United States, United Kingdom, Union of Soviet Socialist Republics and China. Prior to the termination of its functions the Commission shall transfer to any interim or permanent security organization of which the participating governments are members those functions which may appropriately be transferred.

It was agreed that the Government of the United States on behalf of the four Powers should present the Terms of Reference to the other Governments specified in Article I and invite them to participate in the Commission on the revised basis.

B. Allied Council for Japan.

The following agreement was also reached, with the concurrence of China, for the establishment of an Allied Council for Japan:

1. There shall be established an Allied Council with its seat in Tokyo under the chairmanship of the Supreme Commander for the Allied Powers (or his Deputy) for the purpose of consulting with and advising the Supreme Commander in regard to the implementation of the Terms of Surrender, the occupation and control of Japan, and of directives supplementary thereto; and for the purpose of exercising the control authority herein granted.

2. The membership of the Allied Council shall consist of the Supreme Commander (or his Deputy) who shall be Chairman and United States member; a Union of Soviet Socialist Republics member; a Chinese member; and a member representing jointly the United Kingdom, Australia, New Zealand, and India.

3. Each member shall be entitled to have an appropriate staff consisting of military and civilian advisers.

4. The Allied Council shall meet not less often than once every two weeks.

5. The Supreme Commander shall issue all or-

ders for the implementation of the Terms of Surrender, the occupation and control of Japan, and directives supplementary thereto. In all cases action will be carried out under and through the Supreme Commander who is the sole executive authority for the Allied Powers in Japan. He will consult and advise with the Council in advance of the issuance of orders on matters of substance, the exigencies of the situation permitting. His decisions upon these matters shall be controlling.

6. If, regarding the implementation of policy decisions of the Far Eastern Commission on questions concerning a change in the regime of control, fundamental changes in the Japanese constitutional structure, and a change in the Japanese Government as a whole, a member of the Council disagrees with the Supreme Commander (or his Deputy), the Supreme Commander will withhold the issuance of orders on these questions pending agreement thereon in the Far Eastern Commission.

7. In cases of necessity the Supreme Commander may take decisions concerning the change of individual Ministers of the Japanese Government, or concerning the filling of vacancies created by the resignation of individual cabinet members, after appropriate preliminary consultation with the representatives of the other Allied Powers on the Allied Council.

III.

KOREA:

1. With a view to the re-establishment of Korea as an independent state, the creation of conditions for developing the country on democratic principles and the earliest possible liquidation of the disastrous results of the protracted Japanese domination in Korea, there shall be set up a provisional Korean democratic government which shall take all the necessary steps for developing the industry, transport and agriculture of Korea and the national culture of the Korean people.

2. In order to assist the formation of a provisional Korean government and with a view to the preliminary elaboration of the appropriate measures, there shall be established a Joint Commis-

sion consisting of representatives of the United States command in southern Korea and the Soviet command in northern Korea. In preparing their proposals the Commission shall consult with the Korean democratic parties and social organizations. The recommendations worked out by the Commission shall be presented for the consideration of the Governments of the Union of Soviet Socialist Republics, China, the United Kingdom and the United States prior to final decision by the two Governments represented on the Joint Commission.

3. It shall be the task of the Joint Commission, with the participation of the provisional Korean democratic government and of the Korean democratic organizations to work out measures also for helping and assisting (trusteeship) the political, economic and social progress of the Korean people, the development of democratic self-government and the establishment of the national independence of Korea.

The proposals of the Joint Commission shall be submitted, following consultation with the provisional Korean Government for the joint consideration of the Governments of the United States, Union of Soviet Socialist Republics, United Kingdom and China for the working out of an agreement concerning a four-power trusteeship of Korea for a period of up to five years.

4. For the consideration of urgent problems affecting both southern and northern Korea and for the elaboration of measures establishing permanent coordination in administrative-economic matters between the United States command in southern Korea and the Soviet command in northern Korea, a conference of the representatives of the United States and Soviet commands in Korea shall be convened within a period of two weeks.

IV.

CHINA

The three Foreign Secretaries exchanged views with regard to the situation in China. They were in agreement as to the need for a unified and democratic China under the National Government, for broad participation by democratic elements in all branches of the National Government, and

for a cessation of civil strife. They reaffirmed their adherence to the policy of non-interference in the internal affairs of China.

Mr. Molotov and Mr. Byrnes had several conversations concerning Soviet and American armed forces in China.

Mr. Molotov stated that the Soviet forces had disarmed and deported Japanese troops in Manchuria but that withdrawal of Soviet forces had been postponed until February 1st at the request of the Chinese Government.

Mr. Byrnes pointed out that American forces were in north China at the request of the Chinese Government, and referred also to the primary responsibility of the United States in the implementation of the Terms of Surrender with respect to the disarming and deportation of Japanese troops. He stated that American forces would be withdrawn just as soon as this responsibility was discharged or the Chinese Government was in a position to discharge the responsibility without the assistance of American forces.

The two Foreign Secretaries were in complete accord as to the desirability of withdrawal of Soviet and American forces from China at the earliest practicable moment consistent with the discharge of their obligations and responsibilities.

V.

RUMANIA.

The three Governments are prepared to give King Michael the advice for which he has asked in his letter of August 21, 1945, on the broadening of the Rumanian Government. The King should be advised that one member of the National Peasant Party and one member of the Liberal Party should be included in the Government. The Commission referred to below shall satisfy itself that

(a) they are truly representative members of the groups of the Parties not represented in the Government;

(b) they are suitable and will work loyally with the Government.

The three Governments take note that the Rumanian Government thus reorganized should declare that free and unfettered elections will be held as soon as possible on the basis of universal and secret ballot. All democratic and anti-fascist

parties should have the right to take part in these elections and to put forward candidates. The reorganized Government should give assurances concerning the grant of freedom of the press, speech, religion and association.

A. Y. Vyshinski, Mr. Harriman, and Sir A. Clark Kerr are authorized as a Commission to proceed to Bucharest immediately to consult with King Michael and members of the present Government with a view to the execution of the above-mentioned tasks.

As soon as these tasks are accomplished and the required assurances have been received, the Government of Rumania, with which the Soviet Government maintains diplomatic relations, will be recognized by the Government of the United States of America and the Government of the United Kingdom.

VI.

BULGARIA

It is understood by the three Governments that the Soviet Government takes upon itself the mission of giving friendly advice to the Bulgarian Government with regard to the desirability of the inclusion in the Bulgarian Government of the Fatherland Front, now being formed, of an additional two representatives of other democratic groups, who (a) are truly representative of the groups of the parties which are not participating in the Government, and (b) are really suitable and will work loyally with the Government.

As soon as the Governments of the United States of America and the United Kingdom are convinced that this friendly advice has been accepted by the Bulgarian Government and the said additional representatives have been included in its body, the Government of the United States and the Government of the United Kingdom will recognize the Bulgarian Government, with which the Government of the Soviet Union already has diplomatic relations.

VII.

THE ESTABLISHMENT BY THE UNITED NATIONS OF A COMMISSION FOR THE CONTROL OF ATOMIC ENERGY.

Discussion of the subject of atomic energy related to the question of the establishment of a

commission by the General Assembly of the United Nations. The Ministers of Foreign Affairs of the Union of Soviet Socialist Republics, the United States of America, and the United Kingdom have agreed to recommend, for the consideration of the General Assembly of the United Nations, the establishment by the United Nations of a commission to consider problems arising from the discovery of atomic energy and related matters. They have agreed to invite the other permanent members of the Security Council, France and China, together with Canada, to join with them in assuming the initiative in sponsoring the following resolution at the first session of the General Assembly of the United Nations in January 1946:—

Resolved by the General Assembly of the United Nations to establish a Commission, with the composition and competence set out hereunder, to deal with the problems raised by the discovery of atomic energy and other related matters.

I. ESTABLISHMENT OF THE COMMISSION

A Commission is hereby established by the General Assembly with the terms of reference set out under Section V below.

II. RELATIONS OF THE COMMISSION WITH THE ORGANS OF THE UNITED NATIONS

(a) The Commission shall submit its reports and recommendations to the Security Council, and such reports and recommendations shall be made public unless the Security Council, in the interests of peace and security, otherwise directs. In the appropriate cases the Security Council should transmit these Reports to the General Assembly and the members of the United Nations, as well as to the Economic and Social Council and other Organs within the framework of the United Nations.

(b) In view of the Security Council's primary responsibility under the Charter of the United Nations for the maintenance of international peace and security, the Security Council shall issue directions to the Commission in matters affecting security. On these matters the Commission shall be accountable for its work to the Security Council.

III. COMPOSITION OF THE COMMISSION

The Commission shall be composed of one representative from each of those states represented on the Security Council, and Canada when that state is not a member of the Security Council. Each representative on the Commission may have such assistants as he may desire.

IV. RULES OF PROCEDURE

The Commission shall have whatever staff it may deem necessary, and shall make recommendations for its rules of procedure to the Security Council, which shall approve them as a procedural matter.

V. TERMS OF REFERENCE OF THE COMMISSION

The Commission shall proceed with the utmost dispatch and inquire into all phases of the problem, and make such recommendations from time to time with respect to them as it finds possible. In particular the Commission shall make specific proposals:

(a) For extending between all nations the exchange of basic scientific information for peaceful ends;

(b) For control of atomic energy to the extent necessary to ensure its use only for peaceful purposes;

(c) For the elimination from national armaments of atomic weapons and of all other major weapons adaptable to mass destruction;

(d) For effective safeguards by way of inspection and other means to protect complying states against the hazards of violations and evasions.

The work of the Commission should proceed by separate stages, the successful completion of each of which will develop the necessary confidence of the world before the next stage is undertaken.

The Commission shall not infringe upon the responsibilities of any Organ of the United Nations, but should present recommendations for the consideration of those Organs in the performance of their tasks under the terms of the United Nations Charter.

JAMES F BYRNES
ERNEST BEVIN
V. MOLOTOV

Dec 27 /45

Report by the Secretary of State on the Meeting of Foreign Ministers¹

THE PURPOSE of my talk tonight is to render a report on the recent meeting of the Foreign Secretaries of Great Britain, the United States, and the Soviet Union at Moscow.

With President Truman's approval and encouragement I had urged the calling of this meeting in fulfilment of the understanding reached at Yalta that the three Foreign Secretaries should meet every three or four months.

I was well aware of the risk involved in suggesting this meeting without any definite assurance that the three governments would be able to reach agreement on the points under discussion. I knew the risk of another impasse such as occurred in London. I felt this risk had to be taken.

It is just when there are genuine difficulties in reaching agreement that Foreign Secretaries should meet in an effort to understand each other's problems and troubles.

In this modern world where events move with lightning speed there is not time to wait for agreement to be reached by the slow exchange of diplomatic communications.

We must realize that discussion and personal contact in international affairs are useful and helpful even though they do not at once lead to agreement. They contribute to a meeting of the minds and the reconciliation of differences.

In September the Council of Foreign Ministers at London had been unable to agree upon the procedure to be followed in drawing up the European peace treaties. The Soviet Union took the position that the treaties should be made only by the principal powers who had signed the respective armistices. The other delegations took

the view that all states which took an active part in the war should be allowed to participate in the peace.

While we could not agree at London, and many referred to the London conference as a complete failure, it was, I think, the discussions at London that helped us greatly to reach agreement on peace machinery at Moscow.

The agreement at Moscow meets our insistence that all states which took an active part in the war should participate in the peace. It also frankly recognizes the responsible role of the larger powers in the making of peace.

Our agreement is that the terms of peace in the first instance should be drawn by the principal powers which were signers of the respective armistices. But it was decided that as soon as these terms were drawn up, they should be submitted to a peace conference called by the five states—the United States, the Soviet Union, Great Britain, France, and China—who constitute the Council of Foreign Ministers and are the permanent members of the Security Council of the United Nations. All states which actively waged war with substantial military force against the European members of the Axis will be invited to participate in the Conference.

The Peace Conference is to be called not later than May 1.

The Conference will consider the draft treaties prepared by the states that signed the respective armistices. The Peace Conference will then draw up its own recommendations. After that, the states which prepared the preliminary texts will consider the recommendations of the Peace Conference and prepare the final texts of the treaties to be signed by all states actively at war with the enemy states in question.

I do not consider this solution ideal. But the departure from the ideal standard is more in the form than the substance. What is preserved is

¹ Radio address on the occasion of the Secretary's return from the Moscow Conference of the Foreign Ministers of the Union of Soviet Socialist Republics, the United Kingdom, and the United States, which took place between Dec. 16 and Dec. 26, 1945. The broadcast was made on Dec. 30, 1945 and released to the press on the same date.

that the proposals of the larger powers are subjected to the judgment and public criticism of all the nations which took an active part in the war. The procedure contemplates and requires that these nations formally and publicly make their recommendations. The larger powers are not bound by these recommendations, but they must agree in order to draw up the final treaties. Certainly the United States would not agree to a final treaty which arbitrarily rejected such recommendations. Certainly the great powers which drew up the draft charter for the United Nations at Dumbarton Oaks did not ignore the changes suggested by the smaller powers at San Francisco.

The test of a successful peace is not in the form of its making, but whether it both commends itself to the nations concerned by its justice and wisdom and also commands the support of those nations whose unity is essential to preserve the peace. The method agreed upon at Moscow gives ample scope for the achievement of these essential results.

The question of the recognition of the ex-satellite states was discussed. Since the London conference, we have found it possible to recognize Austria and Hungary, where free elections have occurred. There is still a wide divergence in our viewpoints on the Governments of Rumania and Bulgaria. That divergence is accentuated by the fact that in those countries democratic institutions have not functioned in accordance with traditions familiar to us.

The Soviet Union contends that the Governments of those countries are satisfactory and conditions do not warrant concerted action under the Yalta agreement. And concerted action is possible only by common agreement.

Our objections to the Rumanian and Bulgarian Governments have been not only to the exclusion of important democratic groups from those Governments, but to the oppressive way in which those Governments exercise their powers. Until now our objections have been little heeded by those Governments or by the Soviet Government.

It must be recognized that the Soviet Government has a very real interest in the character of the Governments of these states. These countries are neighbors of the Soviet Union and were involved in the war against the Soviet Union. It is therefore to be expected that the withdrawal of Soviet troops from these countries may depend upon the Soviet Government's confidence in the peaceful character of these Governments.

I urged upon Generalissimo Stalin and Foreign Minister Molotov that it was in their interest as well as ours that the peoples of these countries, as well as their Governments, should be peacefully disposed toward the Soviet Union. I stressed the fact that it was our desire to work with the Soviet Government and not against it in making these Governments more representative. And for the first time since Yalta the Soviet Government has agreed to cooperate with us to this end.

A tripartite commission is to proceed immediately to Rumania to advise the King, who has sought the advice of the three Allied Governments, on broadening representation in the Rumanian Government. At London we asked this but were unable to secure agreement.

The British and American Governments have agreed that they will recognize the Rumanian Government as soon as they are satisfied that the Government has been broadened to include two truly representative members of two important political parties not now represented in the Government and assurances have been given regarding free elections, freedom of speech, press, religion, and association. These are the terms under which we will recognize this Government. It is for us to say whether the terms have been complied with.

The situation in Bulgaria is complicated by the fact that an election has already occurred there which the Soviet Government regards as a free election and we do not. Nevertheless, the Soviet Government has undertaken to advise the new Bulgarian Government to include in the Government two members truly representative of important political parties not now included. The British Government and the American Government have stated that as soon as they are satisfied that this has been done they will recognize the new Bulgarian Government.

The agreements regarding Rumania and Bulgaria do not go as far as I should have liked, but I am hopeful that they will result in a substantial improvement in the democratic character of these Governments.

In the Far East, it has been our policy to work for the creation of conditions that make for lasting peace. Cooperation with our Allies is an essential part of that policy.

While the United States sustained the major burden in crushing the military power of Japan, we have always considered the war against Japan a part of the war against the Axis. From the

outset we have planned to make the control of Japan an Allied responsibility.

As early as August 20 we invited the Soviet Union, Great Britain, and China to join with us in carrying out the objectives of the Potsdam Declaration and the Terms of Surrender for Japan. The Far Eastern Advisory Commission was established in October, but Great Britain had reservations regarding its advisory character, and the Soviet Union requested a decision regarding control machinery in Tokyo before joining the work of the Commission.

At Moscow the three Governments, with the concurrence of China, agreed on a Far Eastern Commission. It will consist of representatives of the Soviet Union, Great Britain, China, the United States, France, Netherlands, Australia, New Zealand, Canada, India, and the Philippines.

This Far Eastern Commission will have the authority to formulate principles to govern the control of Japan. It will act by a majority vote, which, however, must include the concurring votes of Great Britain, the Soviet Union, China, and the United States. The decisions of the Commission will be incorporated into directives to the Supreme Commander by the United States Government.

Under the agreement establishing the Commission no basic Allied policy for Japan may be adopted without our concurrence.

Pending agreement in the Far Eastern Commission, in case of need we are free to give interim directives on all urgent matters. Only three questions are excepted from our authority to give interim directives. The questions reserved for action by the Commission—which action requires our concurrence—are questions dealing with changes in the control of Japan as set forth in the surrender terms or with fundamental changes in the Japanese constitutional structure or with changes in the Japanese Government as a whole.

These are questions which by their nature require agreement among the principal Allies if there is to be a common Allied policy. To reserve them for decision by the Commission does not affect the administration of Allied control by the Supreme Commander.

It has not been our policy to dictate changes in the Japanese Government as a whole, and so far as it is necessary to make individual changes in the cabinet or to fill vacancies created by the resignation of individual members the authority of the

Supreme Commander to act remains unimpaired.

The three Governments also agreed, with the concurrence of China, on the establishment of an Allied Council for Japan to be composed of representatives of the Soviet Union, the British Commonwealth, China, and the United States under the chairmanship of General MacArthur as the Supreme Allied Commander. The Council is to advise and consult with the Supreme Commander in carrying out the Terms of Surrender. His decision will be controlling on all but the three reserved questions I have just mentioned.

If any disagreement arises in the Council regarding the implementation of a policy decision of the Far Eastern Commission upon any of these three points, the Supreme Commander will withhold action pending a clarification of its decision by the Far Eastern Commission. But when necessary, as I have already explained, the Supreme Commander, after appropriate consultation with the Council, may change individual ministers or fill vacancies.

The proposals we offered regarding Japan make it clear that we intend to cooperate with our Allies and we expect them to cooperate with us. But at the same time our agreement safeguards the efficient administration which has been set up in Japan under the Supreme Allied Commander.

It assures that the authority of General MacArthur will not be obstructed by the inability of the Far Eastern Commission to agree on policies or by the inability of the Allied Council to agree upon the methods of carrying them out.

We were determined to assure that the outstanding and efficient administration set up and executed by General MacArthur should not be obstructed.

The administration of Korea has been a trying problem since the surrender of Japan. For purposes of military operations the occupation of Korea was divided north and south of latitude 38 into Soviet and American areas. The continuation of this division after surrender has been unsatisfactory. The movement of persons and goods and the functioning of public services on a nationwide scale has been hampered.

Under our agreement at Moscow, the two military commands are to form a joint Soviet-American Commission to solve immediate economic and administrative problems. They will make recommendations to the Governments of the United States, the Soviet Union, Great Britain, and

China for the formation of a Korean provisional democratic government. They will also make proposals to these Governments regarding a four-power trusteeship to prepare Korea for its independence within five years.

The joint Soviet-American Commission, working with the Korean provisional democratic government, may find it possible to dispense with a trusteeship. It is our goal to hasten the day when Korea will become an independent member of the society of nations.

In the various agreements and understandings reached in Moscow the interests of China were taken into full account. China is to participate in the Council of Foreign Ministers, the Far Eastern Commission, in the four-power Allied Council in Tokyo, in the formation of a Korean provisional national government, and in any trusteeship for Korea.

But China divided by civil strife will not be able to take its rightful place among its Allies and discharge properly its international responsibilities.

Our policy toward China as recently announced by President Truman was discussed at Moscow. We found our Allies in substantial accord with that policy. The three Governments agreed that the cessation of civil strife and broad participation throughout the National Government of democratic elements are necessary to assure a unified, peaceful, and democratic China under the National Government. The three Governments reaffirmed adherence to the policy of non-interference in the internal affairs of China.

Mr. Molotov and I discussed the problem of Soviet and American armed forces in China. The Soviet Union, pursuant to their agreement with the National Government of China, plans to remove its forces from Manchuria by February 1st. We will move our Marines from North China when Japanese troops are disarmed and deported from China or when China is able to complete the task unassisted by us.

The understanding of the three powers as to policy toward China should assist General Marshall in the mission he has undertaken.

The British and ourselves came to Moscow with a very definite proposal for the establishment by the United Nations of a commission on atomic energy and related matters based on the Washington declaration of the President of the United

States and the Prime Ministers of Great Britain and Canada on that subject. At the request of the Soviet Government the discussion of our proposal was placed at the end of our agenda. Our discussions were limited to this proposal. At no time did we discuss any technical or scientific matters, nor were we asked by the Soviet Government about the new weapon. I was happy to find that the Soviet Government feels as we do that this particular weapon is of such a revolutionary nature that we should explore through a United Nations Commission methods of international control.

It should be understood that the task of the commission is to inquire into the problems raised by the discovery of atomic energy and related matters and to make recommendations. Neither the Security Council nor the commission has authority to bind any government to act on its recommendations.

The four objectives set forth in the proposed resolution establishing the commission are not intended to indicate the order in which they are to be considered. In particular, it was intended and is understood that the matter of safeguards will apply to the recommendations of the commission in relation to every phase of the subject and at every stage. Indeed, at the root of the whole matter lies the problem of providing the necessary safeguards.

Neither we nor any other nation would be expected to share our armament secrets until it was certain that effective safeguards had been developed to insure our mutual protection.

The Soviet Government offered only a few amendments to the proposal submitted by us. These amendments were designed to clarify the relations of the commission to the Security Council. With some revisions we accepted them.

Carefully examined, these amendments will be found to go no further than appropriate to enable the Security Council to exercise its primary responsibility for the maintenance of peace and security.

The Security Council can give directions to the commission, and restrain publication of reports detrimental to peace and security, but such action can be taken only with the concurrence of all its permanent members. Failure of the Security Council to act cannot block the work of the commission.

The three Governments have invited France,

(Continued on page 1047)

Trusteeship and Non-Self-Governing Territories in the Charter of the United Nations

BY RALPH J. BUNCHE¹

I. The Problem at San Francisco

The problem of the non-self-governing or "dependent" peoples figured prominently in the deliberations of the United Nations Conference on International Organization at San Francisco. Never before in the history of the community of nations had such searching attention been directed to the status and well-being of the dependent territories.

The San Francisco conference recognized that the problem of the dependent peoples has come to be widely accepted as a matter of proper international concern, a tendency which has become increasingly apparent since the first World War. This is an understandable conclusion, in view of the fact that approximately a fourth of the peoples of the world live in "dependent" territories—colonies, other possessions, protectorates, and mandates. They do not, therefore, enjoy the benefits or shoulder the responsibilities of full self-government and have little or no control over their foreign relations.

By and large, the dependent territories, although often populous, are weak and unable to protect themselves. They have no direct representation in international councils. Some of them are rich in natural resources and are potentially valuable markets. Others are strategically located and are vital outposts of empire or of national defense. Some have been regarded by metropolitan nations as areas important for the settlement of surplus population. Factors of national prestige and pride, labor supply, and military manpower are also often involved.

As a result, therefore, rivalries among nations, great and small, have developed over such areas in the past and they have become sources of international friction which have contributed substantially to the fomenting of wars.

The United Nations Conference had as its primary objective the drafting of a charter for

a new international security organization which could maintain international peace and security by restraining wars and by contributing to the elimination of their causes.

It was in earnest recognition of the importance of the problem to the peace and well-being of the world that the nations assembled at San Francisco last spring agreed that 3 of the 19 chapters of the Charter of the United Nations should be devoted to the non-self-governing peoples. There was recognition, also, of the need to establish some new machinery to take the place of the mandates system following the anticipated dissolution of the League of Nations.

The United States was neither a member of the League of Nations nor a party to the Treaty of Versailles. But American interests in most of the mandated territories, resulting from United States inclusion among the Principal Allied and Associated Powers, had been safeguarded by a series of treaties with the mandatory powers which protected this country's national rights and its international position.

When in 1942 the Government of the United States began to develop its policies with respect to the prospective new international organization, it was clearly recognized that there would be need for the establishment of some international mechanism to replace the mandates system. This proposed new international machinery came to be described as a system of trusteeship, a description designed to differentiate the new mechanism from the mandates system. The intent was that the new system should be not only a substi-

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tute for but a definite improvement over the old.

The decision to include trusteeship on the agenda of the San Francisco conference was reached at Yalta.²

The trusteeship question had been the subject of study by the governments which participated in the Dumbarton Oaks Conversations, and it had been tentatively placed on the agenda of those Conversations. Discussion of this subject was temporarily postponed, however, pending completion of studies of the many complex factors involved. It was understood by the governments represented at Dumbarton Oaks that the question of trusteeship would be taken up later and placed on the agenda of the prospective United Nations Conference.

The matter was brought up again at Yalta, and President Roosevelt, Prime Minister Churchill, and Marshal Stalin agreed there that the principles and machinery of a trusteeship system should be considered at San Francisco and that the trusteeship system to be established should apply only to such of those territories now held under mandate, or which might be detached from enemy states as a result of this war, as might, by trusteeship agreements, be placed under it, and to such other territories as might be voluntarily placed under it by the states responsible for their administration. It was made clear that it would be a matter for subsequent agreement as to which of the specific territories in the above three categories would be placed under trusteeship.

It was also agreed at Yalta that prior to the United Nations Conference the sponsoring powers would hold consultations for the purpose of agreeing upon the principles of trusteeship which would be placed before the Conference. This agreement was in recognition of the fact that trusteeship had not been discussed at Dumbarton Oaks; therefore there was no trusteeship document to form the basis of discussion in the Conference.

The Five-Power Consultations

It proved impossible to convene the representatives of the five powers on the trusteeship question prior to the opening of the United Nations Conference. Immediately following the convening of the Conference at San Francisco, however, steps were taken to get under way consultations among the four sponsoring governments and France. In

the course of these consultations the United States, the Soviet Union, the United Kingdom, China, and France submitted proposals for a system of trusteeship. There was substantial divergence between the American and British proposals, but the Soviet, Chinese, and French papers adhered quite closely to the pattern of the American paper.

Although not a member of the five-power group, Australia had also submitted to the Conference a trusteeship proposal which was very broad in some of its provisions and which at a late stage of the deliberations of the Conference Committee on Trusteeship contributed no little to the provisions of chapter XI of the Charter.

Owing to the absence of any Dumbarton Oaks Proposals on the subject, the Conference Technical Committee on Trusteeship, through its chairman, Peter Fraser, Prime Minister of New Zealand, asked the American chairman of the five-power group to assume responsibility for presenting to the committee a working paper on trusteeship as a guide for its discussions. The working paper was to take account of the several proposals formally submitted to the Conference.

On May 15 the chairman of the five-power group submitted to the Committee on Trusteeship the proposed working paper on a system of international trusteeship. This paper was made available as a basis for discussion only and without prejudice to the individual proposals previously submitted by the several national delegations. There were points in the working paper which were still at issue among the five powers, and it was necessary for the five-power consultations to continue throughout the Conference.

These consultations were characterized by an intense seriousness of purpose, extensive give and take, and a sincere effort to reach the maximum possible measure of agreement. They were held under considerable pressure of time, in view of the fact that the Conference Committee on Trusteeship, composed of representatives of the 50 nations, was meeting simultaneously with the five-power consultations and from time to time had to be asked to await agreement on the part of the five powers in order to proceed with consideration of the working paper upon which the committee's deliberations were based.

The Main Issues

The discussions in the five-power consultation group and in the Conference Committee revolved

² BULLETIN of Apr. 8, 1945, p. 600.

about several vital issues. The working paper was divided into two parts. Part A covered the provisions finally appearing in chapter XI of the Charter, the Declaration Regarding Non-Self-Governing Territories, while Part B was devoted to the principles and procedures of the trusteeship system, ultimately chapters XII and XIII. The issue which received most public notice was that of political objectives, both in the trusteeship system and in the Declaration. Some delegations took the position that a forthright statement of independence as a goal toward which all dependent peoples might aspire should be included. Other delegations felt that it would be unwise to establish the goal of independence for all dependent peoples without exception, since there were some dependent territories which, because of their meager population and resources, could never become fully independent. The United States trusteeship proposal had set forth the objective of self-government which, in the American interpretation, included independence for those peoples who aspired to it and were capable of assuming the responsibilities involved.

The issue as it affected the trusteeship system was finally resolved by providing alternative goals of self-government or independence in accordance with the particular circumstances of each territory and its peoples and their freely expressed wishes. In the Declaration a different formulation was adopted which did not specifically mention independence but which, by official Conference interpretation, recognized it as one of the possible alternatives.

Another issue arose in connection with the provision in the American proposal for equal treatment in economic and commercial matters for all members of the United Nations and their nationals in trust territories. It was pointed out in the course of the debates that an unqualified provision of this nature would have the actual effect of altering the status of the "C" mandates³ and of automatically imposing a limitation which does not now obtain on the present mandatory of any "C" mandate which might be transferred to the trusteeship system. The principle of equal treatment was incorporated in chapter XII, however, with the proviso that its application would be subject to the provisions of article 80 of the Charter. This would have the effect of protecting the present position of "C" mandatories except as this position

might be altered in the terms of any trusteeship agreement by which a "C" mandate would be placed under the trusteeship system.

The proposal that certain areas might be designated as strategic areas under the trusteeship system was advanced by the American Delegation and was accepted by the Conference. In addition to the strategic-area provisions, a principle set forth in the British proposal was also incorporated. This would make it an obligation upon the administering authority in any trust territory, whether or not it might be a strategic area, to contribute to the maintenance of international peace and security and to use whatever volunteer forces, facilities, and assistance from the trust territory it might find necessary in discharging its obligations to the Security Council and for purposes of local defense and the maintenance of law and order.

One important issue was related to the fact that there would inevitably be an interim period between the adoption of the Charter of the United Nations and the placing of eligible territories under the trusteeship system. Some delegations felt it important to provide strong reassurance that the Charter itself did not in any way affect the status of any territory or the rights of any states or peoples in that territory. In other words, until trusteeship agreements would be drawn up by means of which particular territories would be placed under the trusteeship system, no provision of the Charter could be interpreted as affecting the rights of anyone in that territory or the status of the territory itself. This provision came to be known at the Conference as the "conservatory clause" and appears in the Charter as article 80.

There was difference of opinion as to the composition of the Trusteeship Council and also as to its status in the Organization. The American position from the outset—this position was sustained in the Charter—was that the Trusteeship Council should be one of the principal organs of the Organization

³ The mandated territories, comprising the territories detached from Germany and Turkey at the end of World War I and placed under the mandates system of the League of Nations, were divided into three classes—"A", "B", and "C"—according to their relative stage of advancement. The "A" mandates were considered the most advanced and were to be provisionally recognized as independent. The "C" mandates were considered least advanced, and those of Class "B" were in an intermediate stage. The provision for equal opportunities for trade and commerce for all members of the League of Nations, included in the "A" and "B" mandates, was omitted in those of Class "C".

and that its membership should be selected on a basis which would insure a balance between those states having responsibility for the administration of trust territories and those having no such responsibility. Agreement was eventually reached on a formula which incorporated not only these points but also the position that all the permanent members of the Security Council should be included in the Trusteeship Council as permanent members, irrespective of whether or not they might have administering responsibility for trust territories.

There were also some divergences of view, although the problem was less one of substance than of drafting, on the power of the Organization to receive petitions and to visit the trust territories for purposes of inspection. There was no apparent opposition to the principle involved, but it was felt by some delegations that great care should be taken not to imply that the administering authority might be irresponsible, nor to belittle the administering authority in the eyes of the people administered.

Agreement on the Proposals

The subjects dealt with in the three chapters devoted to non-self-governing peoples proved to be among the most difficult of all those considered by the Conference, and they were among the last on which agreement could be reached. In fact it was not until the final week of the Conference that agreement on some of the provisions of these chapters could be reached. In the subsequent London deliberations of both the Executive Committee of the Preparatory Commission and the Preparatory Commission itself, debates have developed around the correct interpretation of some of the provisions of these chapters.

The United States Role

Throughout the prolonged deliberations on trusteeship at San Francisco the role of the United States Delegation was one of constructive leadership in reconciling differences not only among the sponsoring powers and France but also among the other delegations which submitted proposals. The American position was a dual one of standing steadfastly for the basic principles set forth in the original American proposal submitted to the Conference while attempting at the same time to bring together the divergent viewpoints of other interested nations.

II. The Provisions of the Charter

Chapter XI: Declaration of Principles

Chapter XI, the Declaration Regarding Non-Self-Governing Territories, is a unique international instrument in that it constitutes, in effect, an international charter of colonial administration. This chapter applies to all dependent territories of members of the United Nations.

States responsible for the administration of dependent territories undertake to base their policies of administration upon certain fundamental principles. The paramountcy of the interests of the inhabitants of the territories was recognized for the first time in an international agreement. The administering authorities accept the obligation to promote the political, economic, social, and educational advancement of the inhabitants and the development of their free political institutions, and to recognize their political aspirations.

Chapter XI further incorporates a formal commitment on the part of administering states to submit to the Organization information on the economic, social, and educational conditions in the territories under their control.

Chapters XII and XIII: The Trusteeship System

Chapters XII and XIII are devoted to the international trusteeship system. These chapters are in response to the continued recognition of the principle established at the end of World War I that dependent territories detached from enemy states should be administered as an international responsibility in accordance with principles internationally agreed upon and should be subject to international supervision.

At the end of the last war the mandates system was established as a means of disposing of territories detached from the enemy states, Germany and Turkey. The operation of the mandates system was subject to criticism from many quarters, but the principle of international responsibility upon which it was established and operated was sound, and the essential soundness of that principle has been reaffirmed in the Charter of the new Organization.

The new trusteeship system which is to replace the mandates system has certain definite advantages over the latter. The new system preserves the principle of international responsibility for the trust territories which will be created, while making entirely realistic provisions for security needs.

The trusteeship system has an elasticity which the mandates system lacked. It avoids the rigid and artificial classification of territories into "A", "B", and "C" categories as in the mandates system. Each trust territory under the new system will be administered according to an agreement which has been tailored to the individual circumstances and needs of that territory. This is in recognition of the very great diversity characteristic of the dependent territories with respect to population, resources, geographical location, and stage of advancement of the people.

The new system also makes possible the transfer of colonies to the trusteeship system by the voluntary action of the metropolitan state. No such possibility existed in the mandates system.

The Trusteeship Council, functioning under the authority of the General Assembly, is designed to be a more important and effective organ than the Permanent Mandates Commission of the League. It is designated as a principal organ of the United Nations Organization. Its membership will be composed of official representatives of states, and it should prove better equipped than was the Mandates Commission to deal with the political problems which constitute so large a portion of the problems of the trust territories.

The prestige and authority of the Trusteeship Council should certainly be greater than that enjoyed by the Mandates Commission, and its recommendations should carry correspondingly more weight. Moreover, article 81 of the Charter provides that the Organization itself may be designated as the administering authority in trusteeship agreements. In that event the Trusteeship Council, acting on behalf of the General Assembly, would shoulder direct responsibility of administration.

In the trusteeship system more emphasis is placed on the positive promotion of the welfare of the inhabitants of the trust territories than under the mandates system. The new system introduces periodic visits by representatives of the Organization to the trust territories, which was not possible under the old. The power to accept and examine petitions, oral as well as written, which was practiced by the mandates system with respect to written petitions but which was not included in the Covenant of the League of Nations, is formalized in the Charter.

The trusteeship system also provides that equal economic and commercial opportunities must be

extended to the nationals of all members of the United Nations unless this prejudices the economic and social advancement of the inhabitants of the trust territories. No such qualification was made in the mandates system.

Finally, the General Assembly of the United Nations is given important functions which were not attributed to the Assembly of the League of Nations in connection with the mandates. In addition, under article 87(d) new functions relating to the trusteeship system may be given to both the General Assembly and the Trusteeship Council.

III. The Functioning of the Trusteeship System

Trusteeship Agreements: The States Directly Concerned

The principles and mechanism of a trusteeship system were devised and agreed upon at San Francisco, but no territories were to be placed under trusteeship there. It was agreed that the disposition of specific territories was not germane to the agenda of the Conference. As yet no territories have been placed under the trusteeship system; and none can be until trusteeship agreements are negotiated which will place specific territories under the system. The General Assembly or the Security Council—depending on whether the territories are designated as non-strategic or strategic—must approve these agreements, but the initiative in negotiating rests, in each case, with the "states directly concerned" (article 79).

The Charter does not attempt to define which are the states directly concerned. The decision as to which are those states will be a matter for determination among the interested states with respect to each territory as the negotiation of trusteeship agreements affecting that territory gets under way. The decision will depend upon such factors as established legal rights, mandatory status, and the terms of the peace treaties. In particular instances, in fact, the determination of the states directly concerned may itself involve preliminary negotiation and the sifting of claims.

The state or states directly concerned with a specific territory, then, assume the initial and controlling responsibility for setting the wheels in motion which will transfer the territory to the trusteeship system. The policies and decisions with respect to the disposition of potential trust territories of states having a voice as states di-

rectly concerned, therefore, will in the final analysis determine the extent and effectiveness of the trusteeship system. For it can be only by the decision of such states that trust territories will be created.

In practice it will probably work out that one or more of the states directly concerned will take the initiative in instituting negotiations among the states concerned to place a particular territory under trusteeship. Once agreement is reached that the territory is to be placed under trusteeship, a trusteeship agreement will be drafted which will state the intention of the signatories to place the territory under the trusteeship system and the terms on which it will be administered.

The trusteeship agreement will:

- (1) determine whether the area concerned will be wholly or partly strategic or non-strategic;
- (2) designate the administering authority, which can be one or more states, or the Organization itself;
- (3) Define the extent of authority to be exercised by the administering authority;
- (4) indicate the extent of supervision to be exercised by the Organization;
- (5) state the objectives of the administration, which must be consistent with the basic objectives of the trusteeship system as defined in article 76;
- (6) incorporate whatever provisions for termination, alteration, or amendment may prove practicable; and
- (7) set forth whatever other provisions the states signatory may see fit to include.

It is fully recognized that the effective operation of the trusteeship system will depend in large measure on the nature of the trusteeship agreements by means of which territories will be placed under the system.

When accord has been reached among the states directly concerned on the terms of the trusteeship agreement for a territory, that agreement will be submitted to the Organization for approval. If the territory is a non-strategic area, the agreement will be submitted to the General Assembly for approval. The Security Council will approve those agreements or aspects of agreements relating to territories or parts of territories designated as strategic. The General Assembly and the Security Council, in exercising their power to approve and therefore their right to reject the agreements, may, of course, recommend revision of the agreements

as a prior condition of approval. Such revisions must be agreeable to the states directly concerned.

The Mandated Territories

It should be noted that the San Francisco conference did not stipulate that existing mandated territories shall be automatically transferred to the trusteeship system. The procedure for placing mandated territories under trusteeship is precisely the same as that for eligible territories in the other two categories, i.e. territories detached from enemy states in this war, and territories voluntarily placed under the system by states responsible for their administration.

It is to be noted, also, that the mandatory nation is but one of the states directly concerned with the decision as to the future status of these territories, which already have an international status.

International Responsibility

A territory having been placed under trusteeship thenceforth becomes an international responsibility. The Organization will have become the trustee on behalf of the international community of the United Nations and of the inhabitants of the territory. The administering authority is the agent of the trustee and is responsible to the Organization for the conduct of its administration of the territory.

The administering authority for non-strategic areas is required to submit annual reports to the General Assembly on the political, economic, social, and educational advancement of the inhabitants of the territory. These reports will be based upon a questionnaire to be formulated by the Trusteeship Council. The General Assembly and the Trusteeship Council may discuss these reports and may make recommendations concerning the administration of the territory. The General Assembly and the Trusteeship Council may also sponsor official visits to the trust territory for purposes of inspecting on the spot the nature of the administration and the progress being made by the inhabitants. Petitions from any source, either from within or from outside the trust territory, and either written or oral, concerning conditions in the territory may be accepted and examined by the same organs.

The administration of the trust territories will thus be exposed to the strong influence of international appraisal and opinion.

There is no specific provision in the Charter for

termination of trusteeship over any territory, except for the provision in article 78 that trusteeship cannot apply to territories which have become members of the United Nations and the provision for alteration and amendment in article 79. Specific provision for termination, however, even to the extent of stating an exact date, can be written into any trusteeship agreement. Moreover, the statement of political objectives in article 76 provides that the "freely expressed wishes of the peoples" of the trust territories shall be taken into account.

Strategic Areas

The strategic areas provided for in article 82 of the Charter are trust territories and come under the trusteeship system. The strategic-area concept is designed to meet the special situation wherein a particular territory or a part of a territory is of vital importance to security, and must therefore be maintained and operated as a military or naval base or security zone. Any areas designated as strategic would normally be areas in which strategic considerations are clearly controlling.

Because of the vital strategic importance of such areas and the security considerations involved, the administering authorities would exercise, within an agreed scope of international responsibility subject only to such international supervision as the trusteeship agreements with the approval of the Security Council might specify, a maximum degree of control over such areas. In other words the administering authority would have as much control over a strategic area as it would find necessary to preserve the essential function of the area. The administering authority would be bound, however, to protect and promote the well-being of the civilian inhabitants of the area in conformance with the basic objectives of the trusteeship system.

The Security Council will not only approve the trusteeship agreements for strategic areas but will also exercise all functions of the Organization with regard to these areas. The Security Council, however, may avail itself of the assistance of the Trusteeship Council in handling political, economic, social, and educational matters in the strategic areas.

The Work of the Preparatory Commission

The meeting of the Preparatory Commission in London had before it several recommendations of

the Executive Committee, all of which were formulated with a view toward expediting the establishment and operation of the Trusteeship Council. With respect to one of these, the proposed Temporary Trusteeship Committee, there developed some difference of opinion. All the member nations, however, are agreed that the primary objective is the prompt establishment of the Trusteeship Council through conclusion of the necessary trusteeship agreements. This difficulty, therefore, was one of procedure rather than substance.

Another recommendation of the Preparatory Commission relates to the proposed provisional rules of procedure for the Trusteeship Council. The recommended rules are liberal in character and are designed to insure the effective application of the principles, powers, and functions of the trusteeship system. The rules relating to the right of petition, to periodic visits, and to the required annual reports are especially significant. For example, there is recognition of the right of the inhabitants of trust territories or other interested parties to present oral as well as written petitions, which may be received and discussed in open meeting. This right was upheld strongly by the United States.

IV. The Policy and Interest of the United States

Freedom for All Peoples

It has been a traditional faith and policy of the United States that the best possible world is a democratic world with a maximum of political and economic freedom for all peoples. With respect to dependent peoples the American attitude has been well exemplified in the national policy toward the Philippines and Puerto Rico. The fifth of the Fourteen Points enunciated by President Wilson during the last war urged that colonies should be governed in the interest of their inhabitants and on the basis of equal economic opportunity for all nations.

At the end of the last war the position of the United States was that the war had not been fought for purposes of territorial aggrandizement by the victorious powers, and that it was in the broad interest of all nations that the dependent territories which were detached from the German and Turkish empires should not be annexed by any of the victor nations but should be accepted

and administered as a sacred responsibility of the world community. That American view prevailed, and the mandates system was established under the League of Nations. The United States has continued its interest in the mandated territories and in the operation of the mandates system.

In March 1943 Secretary of State Hull submitted to President Roosevelt, who endorsed them, certain proposals concerning dependent territories. These proposals set forth that all peoples who aspire to independence should be given the opportunity to achieve it, and that it is the duty and purpose of those United Nations which are responsible for the administration of dependent territories to cooperate fully with the peoples of such territories to the end that they may become qualified for independent national status. The establishment by the United Nations of an international trusteeship system was urged as one means of giving effect to these principles and purposes on behalf of those territories which would be placed under trusteeship. The American proposal that a system of international trusteeship should be considered and established at the United Nations Conference had been approved by President Roosevelt two days before his death.

The initiative taken by the United States on the trusteeship issue was a logical outgrowth of the American role in the formulation of the Atlantic Charter, the provisions of which, incorporated in the United Nations Declaration, became the basic statement of the war aims of the United Nations. The first of the eight points of this Declaration to which the signatory nations subscribed, it will be recalled, was that they "seek no aggrandizement, territorial or other" out of this war.

Secretary of State Stettinius, in his radio report of May 28, 1945, on the progress of the United Nations Conference, summarized this Government's policy in the following words:

" . . . we have stood with equal firmness for a trusteeship system that will foster progress toward higher standards of living and the realization of human rights and freedoms for dependent peoples, including the right to independence or another form of self-government, such as federation—whichever the people of the area may choose—when they are prepared and able to assume the responsibilities of national freedom as well as to enjoy its rights.

"The United States had demonstrated this long-standing policy in the Philippines. It looks forward to the time when many other now dependent peoples may achieve the same goal."

President Truman, in his Navy Day address on October 27, 1945, affirmed that—

" . . . we do not seek for ourselves one inch of territory in any place in the world. Outside of the right to establish necessary bases for our own protection, we look for nothing which belongs to any other power."

In this same address, the President included among the fundamentals of the foreign policy of this Government the tenet that—

"We believe that all peoples who are prepared for self-government should be permitted to choose their own form of government by their own freely expressed choice, without interference from any foreign source. That is true in Europe, in Asia, in Africa, as well as in the Western Hemisphere."

Broad Significance of the Provisions

Chapters XI, XII, and XIII establish guiding principles of dependent-territory administration and a system of international trusteeship which, while admittedly not revolutionary, nevertheless very definitely open an encouraging new vista for dependent peoples. Principles and mechanisms have been created of a hitherto unknown precision and breadth which the dependent peoples themselves may employ in their own advancement and which commit the international community of the members of the United Nations Organization to a continuing interest and participation in their progress.

The extent to which these principles and mechanisms will prove beneficial to the dependent peoples will, of course, depend in the final analysis on the good faith expressed through the national policies of responsible governments. The policies of governments alone can breathe life into the dependent-territory arrangements devised at San Francisco.

Perhaps the soundest basis for hope that the community of members of the United Nations will not fail in its responsibilities toward the dependent peoples, who have contributed so greatly to the common victory, is to be found in the growing realization in a war-torn and war-weary world that the best guaranty of world security is a world of free, self-respecting, and prosperous peoples.

Plans for International Information Service¹

PLANS for a permanent United States Information Service in foreign countries have been submitted to the Bureau of the Budget, for review by the Bureau and the President and for submission to Congress late in January.

In accordance with the President's Executive order of August 31 the war agencies formerly operating in this field were abolished and certain continuing functions have been reduced and integrated with the State Department's existing divisions of international information and cultural relations.² A new Office in the Department of State, to be known as the Office of International Information and Cultural Affairs, has been created and will take over active direction of these activities on January 1, 1946.³

This Office, for which I am to be responsible, will be charged with giving foreign peoples, in President Truman's words, "a full and fair picture of American life and of the aims and policies of the United States Government". A bill giving the Department legislative authority to conduct worldwide informational and cultural activities has been approved unanimously by the House Committee on Foreign Affairs and will be reported to the House immediately following the Christmas recess.⁴

It is the aim of the Department to avoid competition with private enterprise in the field of communication. Further, it is our aim to assist private enterprise in its efforts to break down barriers to its expansion abroad. Finally, it is not the intent of the Department to try to rival or outdo the efforts or expenditures of other countries in informational activities.

During the four-month transition period ending on January 1, the international information program has been financed chiefly with funds which had been made available to the Office of War Information and the Office of Inter-American Affairs. During the coming six months these activi-

ties will be financed by funds allocated for the purpose by Congress from the OWI and OIAA balances. The program now under review by the Bureau of the Budget is for fiscal 1947.

The downward adjustment of international information activities toward a peacetime basis will involve cuts of the order of 60 percent in the personnel of OWI and OIAA between July 1, 1945 and June 30, 1946. These are now largely achieved.

On July 1, 1945 these two agencies employed 5,782 people at home and abroad, excluding natives of foreign countries hired locally by our outposts to serve as translators, clerks, et cetera. By June 30, 1946 this number will have been reduced to 2,490.

Of the latter total, only about 400 will be United States public-affairs officers serving regularly in our missions in some 60 countries; this figure compares with 1,672 serving abroad with OWI and OIAA on July 1, 1945. These 400 will work on all aspects of information and cultural work and will include those who work on libraries, films, radio contacts, student exchanges, and press contacts. Another 500, approximately, will be required for special information-control work in Germany, with a few people in Austria and Japan. These are not regarded as part of a permanent program. Approximately 850 will be engaged in short-wave radio broadcasting; this figure compares with 1,325 engaged in radio work on July 1, 1945. The balance will be the staff required at home to serve the work in the field. To this balance will be added 158 people taken over from the

¹ Summary by Assistant Secretary Benton on the four months' activities of the Interim International Information Service, and the merger of its activities into the State Department on Jan. 1, 1946. Released to the press Dec. 28.

² BULLETIN of Sept. 2, 1945, p. 306.

³ BULLETIN of Sept. 9, 1945, p. 387.

⁴ For statements by Mr. Benton before the Committee see BULLETIN of Oct. 21, 1945, p. 589.

previously established Cultural Relations and International Information Divisions of the Department.

The cable-wireless service of OWI has been reduced to one sixth of its wartime wordage; the wartime magazines such as *Victory, USA*, and *En Guardia* have been eliminated; the continuous production of booklets has been eliminated, and the program of translating and printing American books for sale abroad has been terminated. The radio activities of OWI and OIAA have been physically merged in New York and San Francisco. In this and in all other fields a single American information and cultural-relations program, under a unified direction in the Department of State and in the field, will on January 1 take the place of a number of independent and scattered activities.

This has been accomplished within the time-limit set by the President's Executive order and without a break in the continuity of essential informational and cultural activities.

Plans have been completed for carrying on in foreign countries the following activities, which are regarded as necessary for a peacetime informational and cultural program:

1. The exchange of students, of scholars, and of technicians and other experts with special knowledge and skills. In this the Department acts as coordinating agency for 26 Government departments and bureaus which have foreign programs. Funds voted by Congress for this purpose are handled by the Department of State as a clearing agency for these 26 departments and bureaus.

2. The maintenance and servicing of American libraries of information in 60 countries abroad.

3. A daily wireless bulletin, which will bring to diplomatic missions throughout the world the full texts, or textual excerpts, of important official pronouncements.

4. A documentary service which will supply missions abroad, by mail, with background material, biographical sketches, and documentary material relating to the United States; and a small service of still photographs, limited to pictures of Government origin.

5. The preparation of photo-exhibits and film strips for showing in foreign countries.

6. Continuation of the bimonthly illustrated magazine in the Russian language for distribution

in Soviet Union, where privately published magazines are barred.

7. Acquiring, adapting, and scoring in foreign languages of newsreels and documentary films about the United States.

8. The maintenance of small staffs in each of 62 countries, totaling about 400 United States public-affairs officers, to provide information about the United States through all media and especially through personal contacts, and to carry on the work of American cultural relations abroad.

9. An activity in the 1947 program which deserves special mention because of the magnitude of the operation, relative to other activities, is the operation under the Department of State of short-wave broadcasting covering virtually the whole world. It has not yet been decided whether the Government will continue to operate, maintain, and program the radio transmitters in its possession, or whether these activities should be conducted through public or private corporations. The future control and operation of international radio is now being studied in the Department, and recommendations will be made to the President and Congress within the next few months. Meantime it is essential to continue the operation of short-wave radio from this country, on a scale much reduced from that of wartime years, using 18 languages instead of the 40 used in wartime and broadcasting for nighttime listeners only.

The Department's operation of short-wave broadcasting at present requires a staff of more than 500 in New York for programing and engineering and more than 400 in San Francisco, and involves the maintenance of relay stations in Algiers, Honolulu, Saipan, Manila, and in the American zone in Germany. Further reductions in this staff will be made between January 1, 1946 and June 30, 1946, down to about 850.

Some areas in the world, such as the Balkans, can be reached with news about America by no other means. The Department feels radio is playing an essential role in giving foreign peoples a better understanding of American aims, policies, and institutions.

These nine activities constitute the "permanent" or continuing part of the program which has been evolved and which is now in process of further refinement. Sixty-six United States diplomatic

missions abroad where informational and cultural work are planned have been queried this month on the proposed program and on the personnel to be assigned. No mission in our Foreign Service has reported that it wants informational and cultural work ended. Of the sixty-six only four seriously question the specific proposals, one of them because of a temporary political situation in the country involved.

Information activities are planned in 22 other, smaller posts, using the part-time services of a regular Foreign Service officer.

In addition to the "permanent" program the Department plans to continue temporarily an emergency program representing essential activities which remain in the backwash of the war. Such activities may be continued at least through the fiscal year 1947 but are not regarded as a regular part of an overseas information program.

Foremost among these is the present responsibility of the Department of State in the occupied areas of Germany, Austria, Venezia Giulia,

and Japan, as well as similar emergency work in the areas of China and southeast Asia from which the Japanese have only recently been expelled. In the cases of Germany and Austria, the Department is now called on to supply civilian specialists in the various media of communications and certain materials and services to help support them, such as news, radio programs, recordings, films, and publications. At present there are about 225 such State Department specialists in Germany, assigned to General McClure, and approximately 50 in Austria.

In the case of the Trieste area, this Government is committed to continue its cooperation with the British in information work until a peace conference can determine the future of the region. In the case of Japan, seven civilian employees have been assigned responsibilities in the information and reeducation field on General MacArthur's staff, and they now require special services from the Department, through its Office of International Information and Cultural Affairs.

MOSCOW MEETING—*Continued from page 1036.*

China, and Canada to join with us in submitting the proposed resolution to the Assembly of the United Nations.

The Foreign Ministers reached understanding on all important items placed on our agenda with the exception of Iran. At one time it looked as if we might agree on a tripartite commission to consider Iranian problems which have been accentuated by the presence of Allied troops in Iran. Unfortunately, we could not agree. I do not wish to minimize the seriousness of the problem. But I am not discouraged. I hope that the exchange of views may lead to further consideration of the grave issues involved and out of such consideration a solution may be found.

There was no subject as to which an agreement was reached that was not covered in the communiqué published Friday,¹ apart from instructions to the representatives of the three Governments to facilitate agreements in the field.

The agreements reached should bring hope to the war-weary people of many lands. They will facilitate the signing of peace treaties which is necessary to permit the withdrawal of troops

from occupied territories. Only by the withdrawal of armies of occupation can the people have an opportunity to start on the long road to economic recovery. Only by economic recovery of other countries can we in America hope for the full employment of our labor and our capital in this interdependent world.

We must realize that international conferences are not intended to give individual statesmen the opportunity to achieve diplomatic successes. They are intended to be useful in the adjustment of delicate social and human relations between states with many common interests and many divergent interests.

In international affairs, as in national affairs, conflicting interests can be reconciled only by frank discussion and better understanding. The meeting in Moscow did serve to bring about better understanding. We must not slacken in our efforts. With patience, good-will, and tolerance we must strive to build and maintain a just and enduring peace.

¹ Dec. 28, 1945.

The Future of the Foreign Service¹

RADIO BROADCAST

Participants

DONALD RUSSELL

Assistant Secretary of State for
Administration

SELDEN CHAPIN

Director, Office of the Foreign Service,
Department of State

NORMAN ARMOUR

Retiring Ambassador to Spain

STERLING FISHER

Director, NBC University of the Air

ANNOUNCER: Here are *Headlines from Washington*:

Assistant Secretary of State Donald Russell Asserts Passage of Legislation Expanding and Modernizing the U.S. Foreign Service Is Essential to the Conduct of Our Foreign Affairs.

Selden Chapin, Director of Foreign Service, Says War Veterans Will Make up Bulk of New Foreign Service Personnel; Adds That Higher Salaries and Allowances Are Needed To Attract the Top-Caliber Men Needed To Defend Our Interests Abroad.

Ambassador Norman Armour Says Foreign Service Is Badly Understaffed.

This is the third of a group of State Department broadcasts, presented by the NBC University of the Air as part of a larger series entitled "Our Foreign Policy". This time Mr. Donald Russell, Assistant Secretary of State for Administration, and Mr. Selden Chapin, Director of the Office of the Foreign Service in the State Department, will discuss "The Future of the Foreign Service". At the close of the program Ambassador Norman Armour, who has just returned from Spain, will make a brief statement. Sterling Fisher, Director of the NBC University of the Air, will serve as chairman of the discussion. Mr. Fisher—

FISHER: Mr. Russell, not long ago the U.S. Foreign Service was very much in the headlines,

thanks to former Ambassador to China Major General Hurley. One interesting question he raised concerned the submitting of independent reports to Washington by field officers of the Service. Now, as the Assistant Secretary of State responsible for the Foreign Service, would you care to comment on that point?

RUSSELL: I can say this: The records show that the reports sent in to Washington by the Foreign Service officers who were stationed in Chungking were entirely in order. The fact is, we are anxious to have our officers in the field develop independent judgment on matters in their special fields. Their opinions must of course be submitted to, and passed on by, their superiors. That was done in Chungking. There is no evidence that the Foreign Service officers there went over General Hurley's head at any time. Incidentally, it is the job of a chief of mission to work out honest differences of opinion among his staff with respect to questions of policy.

FISHER: Secretary Byrnes made a very favorable impression on many of us when he defended his field officers so stoutly.

RUSSELL: Yes, Mr. Fisher, he really went to bat for them.

FISHER: Mr. Chapin, as head of the Foreign Service do you encourage independent reporting throughout your organization?

CHAPIN: Yes, we do—but always, of course, through regular channels. We need a variety of reports from the field to get a clear picture of what goes on. We don't want a bunch of "yes" men in the Service. That's what gave the Axis nations such bad information about the United States during the war and before. Their people didn't dare report the truth as they saw it. We want our officers to give us the best information they can. If they didn't they would be derelict in their duties, and we'd get rid of them.

FISHER: But don't you have to have a unified policy, Mr. Chapin, when you are operating in the field?

CHAPIN: Of course, Mr. Fisher, that's essential. The essence of the Foreign Service is honesty of

¹ Released to the press Dec. 29.

judgment combined with discipline. Once a policy has been laid down, the field officer must follow it. President Truman's statement of policy on China is law to our Service. An officer may ask to have it changed, but so long as it is in effect he must act in accordance with it.

FISHER: There was no deviation from this principle in Chungking?

CHAPIN: Not in the slightest. I'd like to add this, Mr. Fisher. The Hurley affair was refreshing in one respect. We are usually attacked for being reactionary, not for our liberal ideas. General Hurley's statements helped to balance things. The Foreign Service has been criticized both from the left and from the right.

FISHER: And you probably made some new friends on the deal. There has been an impression, I believe, that the Foreign Service is filled with cookie-pushers and stuffed shirts.

CHAPIN: And striped trousers. Yes, I know. There may have been some basis for that 25 years ago. But nothing could be much farther from the truth today. A Foreign Service job is like any other job—plenty of hard work, and not always under the safest conditions, either.

RUSSELL: The fact is, the Foreign Service is our first line of defense in peacetime. Its officers are commissioned by the President, like Army and Navy officers. They go wherever they are sent, and they do their jobs just as an Army officer would. In fact, a soldier has the better of it in one respect—he has housing and food and sanitation provided for him. Our people have to supply their own. And in wartime the Foreign Service officer often finds himself right up in the fighting.

CHAPIN: Like Ed Gullion, who helped to evacuate Americans under fire in Finland and Greece and was bombed and fired on at various times by the Germans, Italians, Russians, and others. And if he hadn't missed a ship back in November 1941 he'd have been interned by the Japanese in Manila.

FISHER: The Foreign Service is no snap in wartime, then, Mr. Chapin.

CHAPIN: It certainly isn't. "Doc" Matthews—H. Freeman Matthews, Director of the Office of European Affairs, who went to Moscow with Mr. Byrnes—could tell you about that. When he flew to North Africa in 1942, his plane was attacked by two Messerschmitts over the Bay of Biscay. He administered first aid to the co-pilot, who was wounded. General Jimmy Doolittle took

over the controls, and they got to North Africa safely.

RUSSELL: Some of the stories you hear in Foreign Service circles are a lot stranger than fiction. There was Walter Orebaugh, who was stationed in Monte Carlo when war came. He was interned by the Italians, but he escaped after the Italian armistice and organized and led a guerrilla band against the Germans in northern Italy. Now he is the American Consul at Florence. You can't call him a pink-tea diplomat. He wore a beard, not spats, as a partisan fighter.

FISHER: Did many others go through that sort of thing during the war, Mr. Russell?

RUSSELL: They went through plenty—including the enemy lines in some cases. There was James G. Carter, who was U.S. Consul General in Calais when the Germans broke through in May 1940. Instead of retreating with the French, he drove his car straight into German territory. He followed the Rhine upstream, and turned up in Switzerland a few days later, with a badly battered car.

CHAPIN: Incidentally, Mr. Carter is a Negro who has set a very high standard for some of his colleagues to live up to. Then there was Bob Brandin. He was a Vice Consul in Spain during the war, and spent a good deal of time helping American and British aviators who were escaping from German-occupied territory. And he used to go climbing around the mountains looking for any evidence that the Germans were smuggling wolfram out of Spain. When our armies invaded southern France, the left wing of General Patch's Army came into Toulouse to find that Brandin was already there. He had driven in from the Spanish side as soon as the Germans left.

RUSSELL: And then there was the case of Tom Estes.

FISHER: What's the story on him, Mr. Russell?

RUSSELL: He was recently awarded the Bronze Star medal by General McNarney, Commanding General, U.S. Forces in the European Theater. Estes had been attached to the staff of the Supreme Allied Commander, and was assigned the job of naturalizing American soldiers so they would have the benefits of American citizenship if they became prisoners of war. On one occasion Estes visited the Anzio beachhead, and under heavy fire for days he naturalized a large number of soldiers.

CHAPIN: There were even some cases of counter-espionage work which may have saved American lives. Hidden German radios were uncovered by Foreign Service men in Tangier and Rio de Janeiro.

FISHER: I understand, Mr. Chapin, your Foreign Service also had a lot to do with preparing for the invasion of North Africa.

RUSSELL: He was there himself, Mr. Fisher.

CHAPIN: I didn't get down there until well along in 1943. It's true our consular officers there on the ground gave us the information and made the contacts we needed to help make the North African landings a success. But I think we've said enough about the colorful aspects of life in the Foreign Service! I don't think we ought to give the impression that these experiences are the usual thing.

FISHER: You're afraid your new recruits will all expect to be assigned to romantic jobs and places like these?

CHAPIN: That's the general idea. A man may join the Foreign Service expecting to be sent to Chungking or Timbuctoo, and find himself stamping passports in Winnipeg. Most of our work, after all, is routine desk work, not wartime exploits. It is the day-to-day work of looking after Americans and American interests in every corner of the world.

FISHER: All right, let's drop the color stuff and talk for a moment about how a person gets into the Foreign Service. Mr. Russell, what are the basic requirements? Does one have to be a college graduate—perhaps a graduate of Groton and Harvard?

RUSSELL: It's not necessary to have a college degree, Mr. Fisher. More than three fourths of our officers do have them, though; and currently we are requiring at least three years of college training or its equivalent. The Groton-Harvard myth is on the same level with the striped-trousers one.

FISHER: What kind of specialized training do your people have to have, Mr. Secretary?

RUSSELL: There are no specific requirements. In fact, we like to get people with varied backgrounds. Mr. Chapin here graduated from Annapolis.

FISHER: Doesn't sound to me like proper training for diplomacy.

RUSSELL: It takes more than a set of college courses to make a good Foreign Service officer.

FISHER: Just what *does* it take, Mr. Russell?

RUSSELL: Well, the things we are looking for are intelligence, integrity, adaptability, and industry. A man has to be a hard worker in addition to being bright and personable to get ahead in the Service.

CHAPIN: And furthermore, a good Foreign Service officer should have intellectual curiosity. He should be interested in almost everything he comes in contact with. He should have something of the reporter's flair for news; and he must also be objective. He must be able to handle negotiations without injecting himself into them, in the same way that a good businessman would.

FISHER: I should think, Mr. Chapin, that Superman himself would have some trouble measuring up to those Olympian standards.

CHAPIN: I'll admit our standards are high, Mr. Fisher. But you'd be surprised how many men we find who actually do measure up, at least reasonably well.

RUSSELL: The standards have to be high because we can't afford to send out second-rate men to represent America in the far corners of the world.

FISHER: Let me ask this question, Mr. Secretary: Suppose I am Bill Johnson, a young man out in Los Angeles. I have enough education to qualify, and I'm anxious to try to enter the Foreign Service. How would I go about it?

RUSSELL: Well, first of all, Mr. Fisher—or Mr. Johnson—you'd write in to the Office of the Foreign Service in the State Department, and we'd send you an application form. If you qualify, you'll be given tests of your general intelligence and level of information. Mr. Chapin can tell you what sorts of written questions it includes.

CHAPIN: Here are a few samples, just to give you an idea.

These are true or false statements:

1. The Tropic of Capricorn passes through Australia and New Zealand. True or false?
2. Persian is an Indo-European language. True or false?
3. The majority of the inhabitants of Palestine are Jews. True or false?
4. There are no Labor members in the House of Peers. True or false?

FISHER: I'd say off-hand that the first two are true and the second two false.

CHAPIN: That's not a bad batting average, Mr. Fisher—you got three out of four right. The first is false, though—the Tropic of Capricorn passes through Australia, but not New Zealand.

FISHER: Well, suppose I passed the written exam—though I'm not at all sure that I could without brushing up on geography and international affairs. What happens next?

CHAPIN: Next you'd be called back to Washington for an oral examination. It's here that we estimate your character, experience, ease of manner, and the other imponderables that go to make a good Foreign Service officer.

FISHER: When you say "ease of manner", Mr. Chapin, I take it you don't mean simply good manners in the *Emily Post* sense.

CHAPIN: We wouldn't hold good manners against any candidate—you may be sure of that. But what we are looking for runs much deeper; we want men who behave like civilized human beings—who have the faculty of putting themselves in the places of the people they are dealing with, so they can understand them and get along better with them. That's a quality you can only gage by talking to or working with a man.

RUSSELL: Those oral exams are stiff too, Mr. Fisher. We take them very seriously, and assign some of our top people to them. And then, of course, a thorough investigation is made of your character, work record, and so on. Only a very small proportion of the original applicants survive all three steps. They must have the highest intellectual and moral qualifications, and be genuinely anxious to serve their country.

FISHER: I understand you've been recruiting from among servicemen and veterans, Mr. Russell. I remember some mention was made of this on our program early this year.

RUSSELL: Yes, and on other programs carried by the Armed Forces Radio Service, too. That got results, by the way—we had about 6,000 inquiries from servicemen, from the European, Mediterranean, and Caribbean theaters alone.

CHAPIN: In fact, a large part of our recruits in the next year will come from the armed services.

FISHER: How many of the 6,000 servicemen passed your examination, Mr. Chapin?

CHAPIN: Well, of the 6,000 who inquired, about 3,200 actually took the exams. And of these we expect that about 600 will pass. We still have to give the examination to men from the Pacific and other theaters, next year. In the end several hun-

dred Foreign Service officers will be recruited from the armed forces.

FISHER: Out of how many, Mr. Chapin? What is the size of the Foreign Service today?

CHAPIN: Altogether there are about 6,300 in the Foreign Service. But most of these are clerical workers and auxiliaries. There are 800 full-fledged Foreign Service officers.

FISHER: Only 800? That seems a very small number considering the fact that they are scattered all over the world.

CHAPIN: That's right—they constitute most of the officials of every American Embassy and Legation, and they man the consular offices in every important seaport or commercial center in the world. And some are assigned to the State Department here in Washington. We are terribly short-handed. The only thing that saved us during the war was the fact that we recruited about 800 auxiliary officers—men and women whose records qualified them for this work, and who were not subject to military service. They have temporary status as Foreign Service officers, but only for the emergency period.

RUSSELL: And from the reports I've seen, those auxiliary officers have turned in a very creditable job. We expect a great many of them to take the examinations and become full-fledged officers of the Foreign Service.

CHAPIN: Many of them were assigned to out-of-the-way spots, in Africa and elsewhere, where living conditions are very bad, and were left there for the duration of the war. With few exceptions they stuck it out and did their war jobs well.

FISHER: Coming back to how you enter the Foreign Service, Mr. Russell, why couldn't the Civil Service Commission handle the examinations for you?

RUSSELL: Civil Service standards, rules, and regulations just aren't flexible enough for our purposes, Mr. Fisher. There are too many intangibles involved in our work. We lean heavily on the oral examination, and on the general impression made by a candidate at that time. Then too, if we want a man with a knowledge of the Chinese language, we can't expect to get him from a general Civil Service examination.

FISHER: Well, at least it's obvious that it takes more than the old school tie to qualify you for the Foreign Service.

CHAPIN: Of course, some of our people did graduate from both Groton and Harvard. But some 99

percent of them did not. Harvard does rank first, with 71 graduates in the Foreign Service; after that come Yale, Princeton, Georgetown, the University of California, Stanford.

FISHER: Sounds as if California is well represented.

RUSSELL: The Foreign Service is a very representative group of Americans. Mr. Fisher—it has drawn men from every State in the Union.

CHAPIN: New York ranks first, and California second, in total number of officers in the Foreign Service. Massachusetts is third. It's an interesting thing that the States along the seaboard, east and west, furnish proportionately more recruits. It's there that you find the greatest contact with, and interest in, foreign affairs.

FISHER: There's one other question I'd like to bring up here. There is a very prevalent idea that this Service is part and parcel of the State Department. But I understand that's not true. Mr. Russell, just what is the relationship?

RUSSELL: The Foreign Service is unique. It is, to a great degree, an independent organization. It represents not only the State Department but every other agency of the Government abroad. Mr. Chapin here is an official both of the State Department and of the Foreign Service.

FISHER: And, Mr. Chapin, you report to Mr. Russell?

CHAPIN: That's right.

FISHER: You say, Mr. Russell, that the Foreign Service represents other agencies in addition to the State Department?

RUSSELL: Yes, Mr. Fisher. In 1939 it absorbed the overseas representatives of the Commerce and Agriculture Departments. Now we are faced with the job of taking over the functions and part of the personnel of OWI, the Office of Inter-American Affairs, the Foreign Economic Administration, and a few people from OSS—the Office of Strategic Services—and the Surplus Property Administration.

FISHER: That's quite a handful. Won't you need a lot bigger staff?

RUSSELL: Right there, Mr. Fisher, is where the rub comes. With all these additional jobs to do, we *must* have at least double the number of Foreign Service officers that we had before the war, or we're faced with a serious break-down. We're now authorized to recruit up to 1,120, if we can find them. But we'll need at least 1,600 to do the job.

CHAPIN: In addition to continuing the wartime auxiliary service in some form. You see, many of the people we need from OWI and other agencies won't come into the regular Foreign Service because it would mean a big cut in pay. So we have to make special provisions for them.

FISHER: Do you expect to reduce their salaries to the Foreign Service level later on, Mr. Chapin, and then take them on as regular staff officers?

CHAPIN: Quite the contrary, Mr. Fisher—we hope to raise Foreign Service salaries and allowances to an even higher level. If we don't, we're sure to lose some of our ablest men. I can't put this too strongly: We face the disintegration of our Foreign Service if it isn't modernized and salaries aren't brought up to where we can compete with private business for able young men.

RUSSELL: Unless this is done, Mr. Fisher, we may go back to the days when a man had to have a private income in order to afford joining the Foreign Service.

CHAPIN: And that's just what we've been trying to get away from. Not to cast any aspersions on the sons of the gilded rich—some of them have made good too. I remember one socialite about whom we had some doubts. We sent him to one of the worst spots in the tropics to see if he could stick it out. He came through magnificently. On our last oral exam two men were outstanding; both graded 95—one the son of a south European immigrant and one born with a gold spoon in his mouth. Each had proved himself of outstanding ability, and there was no choice to be made between them.

RUSSELL: The point is, we want to select our men on their merits, not on the basis of whether they have money of their own. That's the only way to get real efficiency.

FISHER: On this matter of salaries, Mr. Russell—hasn't the Foreign Service received some pay increases during the war?

RUSSELL: Except for a slight upward revision this year, Foreign Service salaries remain at the level set by law in 1924. They start at \$2,800 for unclassified officers—vice consuls—and range upward to \$10,000 for ministers to foreign countries, with some allowances for living costs abroad. Ambassadors get more—\$17,500. Our Ambassador to England gets \$17,500 plus about \$13,000 expense allowance. But very few Foreign Service men ever get to be ambassadors. They can't afford it.

FISHER: An Ambassador's salary sounds like a pretty good income to me, Mr. Secretary.

RUSSELL: Not when you consider that in a major world capital it costs much more than that to live and entertain as people expect you to. The British Ambassador to the United States gets \$70,000 per year, or more than twice our Ambassador's salary and allowances. Even the Latin American governments pay their ambassadors to Washington more than we pay ours.

CHAPIN: You see, Mr. Fisher, the salaries for ambassadors were set by law in 1856 and haven't been revised since. In 1924 the Rogers act was passed because we were facing the same thing we are today—people were leaving the Foreign Service because our salaries remained static in a period of rising prices and wages. The act raised salaries in the lower brackets somewhat—but not enough to attract the best men today. We have been working for several months on a new basic charter for the Foreign Service.

RUSSELL: Representative Rogers' widow, incidentally—Congresswoman Edith Nourse Rogers—ably represents the same district in the House today, and is also an ardent champion of the Foreign Service.

FISHER: Besides the matter of salaries, Mr. Russell, what points are covered in the proposed new charter?

RUSSELL: We want to make the Service more flexible, Mr. Fisher, both as to size and as to training. We are now expected to have experts in various technical fields on the staffs of our missions—oil experts, for example, and social scientists and agricultural and information and labor experts. Some provision has to be made for them.

FISHER: But won't some of these people be supplied by other departments—Agriculture and Labor, for example?

RUSSELL: It's up to us to pay their salaries, even when we borrow them from other departments. And when we bring in experts from private business we've got to pay them more than we pay Foreign Service executives who outrank them. We've got to be prepared to pay more and to take people into the Service part way up the scale, not only at the bottom. We may be able to get some able newspapermen to take information jobs abroad for a year or two for less pay than they earn at home, but we can't build up a permanent staff that way.

FISHER: Mr. Chapin, what other changes need to be made to modernize your organization?

CHAPIN: Well, for one thing, Mr. Fisher, we need to bring our men back home more frequently. Some of them have been stuck abroad since 1940, for lack of replacements.

RUSSELL: They should be returned home every three years, at the longest. Otherwise they get out of touch with things here at home. Then too, long assignments sometimes cause severe hardships. Two of our men in Spain worked so hard and stayed so long that they developed tuberculosis.

FISHER: I suppose you look after them in a case like that, Mr. Russell?

RUSSELL: Yes, they were hospitalized and later given posts where they could take life a little easier and regain their health.

CHAPIN: We try to take care of our own people, and make life as tolerable as possible. But during the war many of them have been separated from their families for years. Of course, we try to avoid that. One man in the Service was about to be assigned to Chungking when his wife had to have an operation. Her doctor said her health wouldn't permit her to go to China. So we gave her husband a temporary one-year assignment in South Africa, to give her a chance to recover.

RUSSELL: Incidentally, we hope to be able to acquire living quarters for our staffs in some European capitals, in exchange for lend-lease and surplus war materials. That will help to ease living conditions overseas—that, and more flexible pay allowances to cover abnormal conditions in the field.

FISHER: And what about the training program for the Foreign Service, Mr. Secretary? There have been some suggestions that we ought to have a training school for the Service.

RUSSELL: Mr. Fisher, I can say flatly that we are opposed to the idea of a West Point for the Foreign Service. There has been too much of a tendency in the past to make a separate caste of the so-called "career men." We're trying to break that down completely, by encouraging staff employees to take the Foreign Service exams and qualify for executive positions. We want a representative group of American citizens in the Service. We don't want to take 17-year-olds and put them in a mold for four years.

CHAPIN: We need varied backgrounds. We want men with a good basic education, and we'll build on that. What we do need, Mr. Fisher, is more in-service training.

FISHER: What do you mean by in-service training, Mr. Chapin?

CHAPIN: I mean a continuous set of courses which would enable our men to take specialized training of various sorts when they come into Washington from the field. But this should be training on a postgraduate level, not undergraduate training.

RUSSELL: We should develop specialists in information work and other fields from within the ranks of the Foreign Service. That would make possible more rapid advancement and more efficient work.

CHAPIN: I'd go so far as to say that 20 to 25 percent of all Foreign Service officers should be under some form of training at any given time. But we can't do that unless we have a much larger staff than we have now. It all comes back to the need for a complete overhaul of the Foreign Service.

FISHER: To summarize briefly what you have said, the Foreign Service is no organization of cookie-pushers. It is a small, compact, and highly selected group of men who must be willing to undergo any hardship to serve their country. But the Service is threatened with a break-down under the increased load of work that has been thrust upon it. Legislation is needed to expand, modernize, and streamline it. You need more flexible pay allowances, more in-service training, more frequent visits home by men in the field.

RUSSELL: That's right, Mr. Fisher. If the Foreign Service is to do the job that has been laid out for it, it must be modernized. That can only be done by the passage of new legislation. The outlay will be very small compared to the returns, in stability and efficiency. If we are to play a leading part in world affairs, we must have a top-notch organization overseas. Our foreign policy, after all, can be no stronger than the people who administer it.

FISHER: Now, I'd like to turn to one of the most outstanding career men of the Foreign Service—a man who has risen to the very top diplomatic rank. Ambassador Norman Armour has served his country in Austria, France, Russia, Belgium, Holland, Uruguay, Italy, Japan, Haiti, Canada, Chile, Argentina, and Spain. He has

just returned from Spain. Ambassador Armour, after over 30 years in the Foreign Service, how does it look to you?

ARMOUR: In this discussion you have referred to the proposed new legislation to bring new men into the Foreign Service. I wish some of our audience could have been with me these last few years and seen the tremendous attention which the foreign governments and foreign peoples give to every action of our country. Through our Foreign Service officers, who are the physical representatives of the almost legendary United States, the people of other countries learn our way of life and our policy for the future. And then I wish that our audience could have seen how woefully understaffed our missions are. Never in the history of our country has the mission of the Foreign Service officer been more important. In this period in world affairs, our foreign missions carry a weight of responsibility unparalleled in our past experience. We should leave no stone unturned to gather together the finest group of men available to increase the strength of the Service, and we should get them into the field as soon as possible. The activities of these men are of critical importance to our future and, I think it can safely be said, of critical importance to the future of the world itself.

I am now retiring. Had I my life to live again, there is no question in my mind but that the Foreign Service would be my goal. I can truthfully say that I envy those younger men who are going into the Service today, for to them will come an intensely interesting life, filled with experiences that will shape the world's future.

FISHER: Thank you, Mr. Ambassador, and thank you, Mr. Secretary and Mr. Chapin, for this revealing picture of the needs of our post-war Foreign Service.

ANNOUNCER: That was Sterling Fisher, Director of the NBC University of the Air. He has been interviewing Assistant Secretary of State Donald Russell, Mr. Selden Chapin, Director of the Office of the Foreign Service, and Ambassador Norman Armour. The discussion was adapted for radio by Selden Menefee.

Next week we shall present a discussion of our Latin American policy by Assistant Secretary of State Spruille Braden and Mr. Ellis O. Briggs, Director of the Office of American Republic Affairs in the State Department.

The Record of the Week

International Meetings

CALENDAR OF EVENTS

Preparatory Commission of the United Nations	London	November 24–December 23
Anglo-American Committee of Inquiry	Washington	December 10 (Hearings to open on January 7)
Far Eastern Commission	S. S. <i>McKintey</i>	December 26 (Continuing in session)
Reparation Conference	Paris	November 9–December 20
Meeting of Foreign Secretaries: ¹ Great Britain, Soviet Union, and United States	Moscow	December 16–26
United Nations Organization: General Assembly	London	January 10

COMMENTS AND DEVELOPMENTS

The Far Eastern Commission announced on December 21 the roster of personnel going to Japan:

CHIEF DELEGATES

Maj. Gen. Frank R. McCoy, United States of America, *Chairman*

Mr. C. A. Berendsen, Minister Plenipotentiary and Envoy Extraordinary, New Zealand

Sir George Sansom, Envoy Extraordinary and Minister Plenipotentiary, Great Britain

Dr. de Kat Angelino, Minister and Envoy Extraordinary, Netherlands

The Honorable Nelson T. Johnson, *Secretary General*

Lt. Gen. Chu Shih-ming, China

M. Francis Lacoste, Minister Plenipotentiary, France

Col. L. M. Cosgrave, Canada

The Honorable Tomas Confesor, Philippines

Maj. J. Plimsoll, Australia

(Mr. W. T. Forsythe, Australia, will join the Commission in Tokyo)

Mr. R. R. Saksena, India

DELEGATIONS

(Including staff officers and clerical personnel attached to delegations)

Australia: Mr. W. T. Forsythe; Maj. J. Plimsoll; Mr. H. A. Ballard; Dr. John Andrews (all but Major Plimsoll will board ship in Tokyo)

Canada: Col. L. M. Cosgrave; Mr. Herbert Norman (will board ship in Tokyo)

China: Lt. Gen. Chu Shih-ming; Mr. Yang Yun-chu;

Comdr. Lin Tsun; Maj. Shu Chin-man; Mr. Liu Ying-tsin; Mr. Chin Yun (will board ship in Tokyo)

France: M. Francis Lacoste; M. Jean Douteau; Col. Victor Morizon; Capitaine de Vaisseau Yves Durand de Saint Front; M. Pierre Sauvageot; Miss Helene Joly

Great Britain: Sir George Sansom; Mr. Oscar Morland; Maj. Charles Boxer; Miss Margaret W. Watson

Netherlands: Dr. de Kat Angelino; Mr. O. Reuchlin; Dr. G. A. Weyer; Mrs. J. D. Cipriani

New Zealand: Mr. C. A. Berendsen; Col. E. R. Powles; Mr. J. M. Bertram; Mr. F. Corner (meeting in Hawaii); Mr. Cunningham (meeting in Tokyo)

Philippines: The Honorable Tomas Confesor; Mr. Antonio A. Gonzalez; Miss Rosario Menchaca

India: Mr. R. R. Saksena; Miss J. F. Keefer

United States: Maj. Gen. Frank R. McCoy; Col. C. Stanton Babcock; Col. James McCormack, Jr.; Dr. George H. Blakeslee; Mr. Robert W. Barnett; Miss Edna V. Culbreth

SECRETARIAT

Mr. Nelson T. Johnson; Mr. Harold W. Moseley; Mr. Hugh D. Farley; Miss Mary Ann McGuigan; Miss Mary P. McKenna; Miss M. Kathleen Welsh

The Commission was in session in Washington from October 30 through December 21.

¹ For text of communiqué, see p. 1027.

American Delegation and Staff to the General Assembly of UNO¹

Representatives:

Secretary James F. Byrnes
Mr. Edward R. Stettinius, Jr.
Senator Tom Connally
Assistant: Mr. Francis Wilcox
Senator Arthur H. Vandenberg
Mrs. Eleanor Roosevelt

Alternate Representatives:

Representative Sol Bloom
Assistant: Mr. Boyd Crawford
Representative Charles A. Eaton
Mr. John G. Townsend, Jr.
Mr. Frank Walker
Mr. John Foster Dulles

Senior Advisers:

Mr. Benjamin V. Cohen
Mr. James Clement Dunn
Mr. Leo Pasvolsky
Mr. Green H. Hackworth
Mr. Adlai Stevenson

Special Advisers on Military Affairs:

Lt. Gen. Matthew B. Ridgeway, U.S.A.
Maj. Gen. John R. Deane, U.S.A.
Col. Herbert V. Mitchell, U.S.A.
Gen. George C. Kenney, A.A.F.
Brig. Gen. Charles P. Cabell, A.A.F.
Col. Charles G. Williamson, A.A.F.
Admiral Richmond K. Turner, U.S.N.
Capt. Elliott Strauss, U.S.N.
Comdr. T. L. Morton, U.S.N.

Secretary to the Special Advisers on Military Affairs: Capt. Dennis Knoll, U.S.N.

Chief Clerk: Miss Mary McDonald

Advisers:

Principal Adviser: Mr. Alger Hiss
Secretary General and Adviser: Mr. Easton Rothwell

DEPARTMENT OF STATE

Political Advisers:

Mr. George Wadsworth
Mr. Cabot Coville
Mr. Raymond Hare
Mr. Llewellyn E. Thompson
Mr. Theodore C. Achilles

Advisers on General Problems

Mr. Abe Feller
Mr. Benjamin Gerig
Mr. Robert Hartley
Mr. Harley Notter
Mr. Durward V. Sandifer
Mr. Arthur Sweetser

Advisers on Technical Problems

Mr. Harding Bancroft
Mr. Edward Buehrig
Mr. Ralph J. Bunche
Mr. Philip M. Burnett
Miss Dorothy Fosdick

Mr. William Fowler
Mr. James Frederick Green
Mr. John Halderman
Mr. Louis Hyde
Mr. Joseph E. Johnson
Mr. William A. McCrae
Mr. Otis Mulliken
Mr. Walter Radius
Mr. Henry Reiff
Mr. Leroy D. Stinchower
Mr. Charles Thomson

TREASURY DEPARTMENT

Mr. William H. Taylor

DEPARTMENT OF THE INTERIOR

Mr. Abe Fortas
Mr. John Collier

DEPARTMENT OF COMMERCE

Mr. Lewis Lorwin

DEPARTMENT OF LABOR

Miss Frieda Miller

BUREAU OF THE BUDGET

Mr. Donald C. Stone
Mr. Eric Biddle
Mr. Walter C. Lavis

CIVIL SERVICE COMMISSION

Mr. Arthur Flemming

Special Assistants to Mr. Stettinius:

Mr. Charles P. Noyes
Mr. Samuel Boykin

Special Assistant to the Principal Adviser:

Mr. E. N. Thompson

Public Relations:

Mr. Wilder Foote
Mr. Michael McDermott
Mr. Dorsey Fisher
Mr. Francis Russell
Mr. John M. Patterson

Secretariat:

Secretary General: Mr. Easton Rothwell

Special Assistants to Secretary General:

Mr. Thomas F. Power
Mrs. Virginia Hartley

Deputy Secretary General:

Mr. John E. Peurifoy

Assistant: Mr. Victor Purse

Documents Officer:

Mr. Carl Marcy

Assistants: Miss Elizabeth Driscoll; Miss Elizabeth Gough

Correspondence Officer:

Miss Mary Vance Trent

Reference and Index Officer:

Miss Carmel Sullivan

Assistant: Miss Jeannette Muther

¹ Released to the press Dec. 29.

Translators:

Mr. Edmund Caskie
Mr. Joseph A. Orozco

Administrative Officer:

Mr. Arthur Haze

Assistants: Mr. Ralph Graham; Mr. Norvelle Sanebeck; Mr. Philip Mudd; Miss Gertrude Slindee; Miss Thelma Prout

Finance Officer:

Mr. Walter B. Fairman

Stenographic Services:

Director: Miss Louise Dame

Appointment of Representatives to Preparatory Commission of UNESCO.¹ William Benton, Assistant Secretary of State, has announced the appointment of the following American representatives on the Preparatory Commission of the United Nations Educational, Scientific and Cultural Organization:

Grayson N. Kefauver as United States Representative on the Preparatory Commission and member of its Executive Committee. Dr. Kefauver, who formerly represented this Government at the Conference of Allied Ministers of Education in London, will serve in his new capacity with the personal rank of Minister.

Richard Johnson, Third Secretary of the American Embassy in London, as alternate to Dr. Kefauver on the Preparatory Commission.

In addition to these representatives on the Preparatory Commission in London, Walter M. Kotschnig, Associate Chief of the Division of International Organization Affairs, Department of State, has been appointed to serve temporarily as Deputy Executive Secretary of the Preparatory Commission. Charles A. Thomson, Adviser, Office of International Information and Cultural Affairs in the Department of State at Washington, has been designated as the officer in the Department chiefly responsible for matters related to the work of the Preparatory Commission and UNESCO.

Dr. Kefauver, prior to his association with the Department of State was dean of the school of education at Stanford University. He is a fellow of the American Association for the Advancement of Science. He was earlier chairman of the Liaison Committee for International Education and the International Education Assembly.

The Preparatory Commission is made up of representatives of the nations participating in the recent London conference to establish the permanent United Nations Educational, Scientific and Cultural Organization (UNESCO). Pending acceptance by a minimum of 20 governments of the Constitution of UNESCO, the Preparatory Commission will function as the interim body to carry on the necessary preliminary work of preparing the agenda and convoking the first meeting of UNESCO.

It is hoped that speedy acceptance of the UNESCO charter by appropriate action of the governments of the United Nations will lead to the prompt establishment of this important organ of the United Nations on a permanent basis, as one of the group of specialized bodies en-

visaged by the United Nations Charter adopted at San Francisco. In the United States, approval by the Congress will be required.

Charter of the United Nations*Dates of deposit of instruments of ratification by the 51 signatory countries (1945)*

*Argentina.....	Sept. 24
Australia.....	Nov. 1
Belgium.....	Dec. 27
Bolivia.....	Nov. 14
*Brazil.....	Sept. 21
*Byelorussian Soviet Socialist Republic.....	Oct. 24
Canada.....	Nov. 9
*Chile.....	Oct. 11
*China.....	Sept. 28
Colombia.....	Nov. 5
Costa Rica.....	Nov. 2
*Cuba.....	Oct. 15
*Czechoslovakia.....	Oct. 19
*Denmark.....	Oct. 9
*Dominican Republic.....	Sept. 4
Ecuador.....	Dec. 21
*Egypt.....	Oct. 22
*El Salvador.....	Sept. 26
Ethiopia.....	Nov. 13
*France.....	Aug. 31
Greece.....	Oct. 25
Guatemala.....	Nov. 21
*Haiti.....	Sept. 27
Honduras.....	Dec. 17
India.....	Oct. 30
*Iran.....	Oct. 16
Iraq.....	Dec. 21
*Lebanon.....	Oct. 15
Liberia.....	Nov. 2
*Luxembourg.....	Oct. 17
Mexico.....	Nov. 7
Netherlands.....	Dec. 10
*New Zealand.....	Sept. 19
*Nicaragua.....	Sept. 6
Norway.....	Nov. 27
Panama.....	Nov. 13
*Paraguay.....	Oct. 12
Peru.....	Oct. 31
*Philippine Commonwealth.....	Oct. 11
*Poland ¹	Oct. 24
*Saudi Arabia.....	Oct. 18
*Syria.....	Oct. 19
*Turkey.....	Sept. 28
*Ukrainian Soviet Socialist Republic.....	Oct. 24
Union of South Africa.....	Nov. 7
*Union of Soviet Socialist Republics ²	Oct. 24
*United Kingdom of Great Britain and Northern Ireland.....	Oct. 20

*One of twenty-nine countries named in the Protocol of Deposit of Ratifications signed by the Secretary of State on Oct. 24, 1945.

¹ The Charter was signed on behalf of Poland on Oct. 15, 1945 at Washington and for the other governments at San Francisco on June 26, 1945.

² The deposit of the Soviet instrument of ratification at 3:07 p. m. on Oct. 24, 1945 brought the Charter into force.

¹ Released to the press Dec. 26.

Dates of deposit of instruments of ratification by the 51 signatory countries (1945)—Continued

*United States of America-----	Aug. 8
Uruguay-----	Dec. 18
Venezuela-----	Nov. 15
*Yugoslavia-----	Oct. 19

Compiled Dec. 28, 1945 by the Treaty Branch, Division of Research and Publication, Department of State.

*One of twenty-nine countries named in the Protocol of Deposit of Ratifications signed by the Secretary of State on Oct. 24, 1945.

The 51 governments that signed the Charter are now original members of the United Nations, as provided in article 110, paragraph 4, of the Charter.

Signing of Bretton Woods Agreements.¹ On December 27 at 4 p.m., there were signed in the Department of State the Articles of Agreement of the International Monetary Fund and the Articles of Agreement of the International Bank for Reconstruction and Development, known as the Bretton Woods Fund and Bank agreements. Fred M. Vinson, Secretary of the Treasury, signed the two agreements on behalf of the United States of America.

The list of the signers of the two agreements in the order in which their signatures were affixed thereto is as follows:

Belgium: LOUIS A. GOFFIN, Chargé d'Affaires ad interim of Belgium in Washington
Bolivia: VICTOR ANDRADE, Ambassador Extraordinary and Plenipotentiary of Bolivia in Washington
Brazil: FERNANDO LOBO, Minister Counselor of Brazil in Washington
Canada: LESTER B. PEARSON, Ambassador Extraordinary and Plenipotentiary of Canada in Washington
China: WEI TAO-MING, Ambassador Extraordinary and Plenipotentiary of China in Washington
Colombia: CARLOS SANZ DE SANTAMARIA, Ambassador Extraordinary and Plenipotentiary of Colombia in Washington
Costa Rica: FRANCISCO DE P. GUTIERREZ, Ambassador Extraordinary and Plenipotentiary of Costa Rica in Washington
Czechoslovakia: VLADIMÍR HURBAN, Ambassador Extraordinary and Plenipotentiary of Czechoslovakia in Washington
Ecuador: GALO PLAZA, Ambassador Extraordinary and Plenipotentiary of Ecuador in Washington
Egypt: ANIS AZER, Minister Counselor and Chargé d'Affaires ad interim of Egypt in Washington
Ethiopia: GETAHOUN TESEMMA, Chargé d'Affaires ad interim of Ethiopia in Washington
France: HENRI BONNET, Ambassador Extraordinary and Plenipotentiary of France in Washington
Greece: CIMON P. DIAMANTOPOULOS, Ambassador Extraordinary and Plenipotentiary of Greece in Washington

Guatemala: JORGE GARCIA GRANADOS, Ambassador Extraordinary and Plenipotentiary of Guatemala in Washington
Honduras: JULIÁN R. CÁCERES, Ambassador Extraordinary and Plenipotentiary of Honduras in Washington
Iceland: THOR THORS, Envoy Extraordinary and Minister Plenipotentiary of Iceland in Washington
India: SIR GIEJA SHANKAR BAJPAI, Agent General for India in Washington
Iraq: ALI JAWDAT, Envoy Extraordinary and Minister Plenipotentiary of Iraq in Washington
Luxembourg: HUGUES LE GALLAIS, Envoy Extraordinary and Minister Plenipotentiary of Luxembourg in Washington
Netherlands: A. LOUDON, Ambassador Extraordinary and Plenipotentiary of the Netherlands in Washington
Norway: WILHELM MUNTHE DE MORGENSTIERNE, Ambassador Extraordinary and Plenipotentiary of Norway in Washington
Paraguay: CELSO R. VELÁZQUEZ, Ambassador Extraordinary and Plenipotentiary of Paraguay in Washington
Philippine Commonwealth: Brig. Gen. CARLOS P. ROMULO, Resident Commissioner of the Philippines in Washington
Poland: OSKAR LANGE, Ambassador Extraordinary and Plenipotentiary of Poland in Washington
Union of South Africa: H. T. ANDREWS, Envoy Extraordinary and Minister Plenipotentiary of the Union of South Africa in Washington
United Kingdom of Great Britain and Northern Ireland: The Earl of HALIFAX, Ambassador Extraordinary and Plenipotentiary of the United Kingdom in Washington
United States of America: FRED M. VINSON, Secretary of the Treasury of the United States of America
Uruguay: CESAR MONTEBO DE BUSTAMANTE, Chargé d'Affaires ad interim of Uruguay in Washington
Yugoslavia: STANOJE SIMIC, Ambassador Extraordinary and Plenipotentiary of the Kingdom of Yugoslavia in Washington

The following Members of the Senate and House Banking and Currency Committees of the United States Congress were present:

<i>Senate</i>	<i>House</i>
Alben W. Barkley	Brent Spence
George L. Radcliffe	Chase Going Woodhouse
Abe Murdock	Fred L. Crawford
Glen H. Taylor	Henry O. Talle
E. P. Carville	
Ernest W. McFarland	
Hugh B. Mitchell	
Arthur Capper	
Bourke B. Hickenlooper	

Henry Morgenthau, Jr., former Secretary of the Treasury and President of the United Nations Monetary and Financial Conference at Bretton Woods, N. H., at which the agreements were formulated, and Jesse P. Wolcott, a member of the House Committee on Banking and Currency and a member of the American Delegation to the Bretton Woods conference were also present.

¹ Released to the press Dec. 27.

Among others present as participants in or observers of the ceremony were representatives of the Department of State, the Department of the Treasury, the Bureau of the Budget, the Department of Commerce, the Department of Agriculture, the National Advisory Council on International Monetary and Financial Problems, the Export-Import Bank of Washington, the Board of Governors of the Federal Reserve System, the Securities and Exchange Commission, the International Labor Office, the United Nations Interim Commission on Food and Agriculture, and the United Nations Relief and Rehabilitation Administration.

Each agreement provides that it shall enter into force when it has been signed on behalf of governments having 65 percent of the total of the amounts subscribed thereto and when instruments of acceptance have been deposited on their behalf. Such instruments of acceptance have been deposited with the Government of the United States of America by Belgium, Bolivia, Canada, China, Czechoslovakia, Egypt, Ethiopia, France, Honduras, Iceland, India, Iraq, Luxembourg, the Netherlands, Norway, Paraguay, the Philippine Commonwealth, the Union of South Africa, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, thus bringing both of the agreements into force.

The agreements will remain open for signature with respect to countries which may become original members of the Fund and Bank, as set forth in Schedule A of the agreements, through December 31, 1945. After that date, each agreement will continue open for signature on behalf of the government of any country whose membership has been approved by the Fund or Bank, as the case may be.

Statement issued by Secretary of the Treasury Vinson on December 27 at the time of the formal signing of the Bretton Woods agreements

History is being written today as we execute these documents and breathe the breath of life into the International Monetary Fund and the International Bank for Reconstruction and Development.

We can be thankful that the history we are now writing is not another chapter in the almost endless chronicle of war and strife. Ours is a mission of peace—not just lip service to the ideals of peace—but action, concrete action, designed to establish the economic foundations of peace on the bedrock of genuine international cooperation.

Four long years of intensive work have gone into laying the groundwork for this day—the day upon which the International Fund and Bank take their places in the mighty arsenal for peace we of the United Nations are so carefully preparing. But these past four years in which we have wrestled with the fundamental problems of international currency stability and investment are but prologue. The birth of these two great international financial institutions is not an end in itself but only a means to the end of international peace and prosperity. Our task, therefore, has but just commenced.

If these two great international institutions are to achieve the mission which the world has so hopefully

entrusted to their care, it will require the whole-hearted and concerted cooperation of each of the member countries and their peoples.

The Government of the United States is resolved—as, I am sure, are the other governments represented here—to do all in its power to make these institutions an outstanding example of the results that can be accomplished by the united action of those who want and are willing to work for a peaceful and prosperous world.

Interim Aviation Arrangements With France

[Released to the press December 29]

The Department of State announced on December 29 that additional air rights have been granted reciprocally between the United States and France, through an exchange of notes dated December 28 and 29 between the Honorable Jefferson Caffery, American Ambassador in Paris, and His Excellency Georges Bidault, French Minister of Foreign Affairs.

The new arrangement, which is terminable on one month's notice and which is based on a previous 1939 bilateral air-transport agreement between the two countries,¹ is intended to serve as an interim measure pending the conclusion of a new and more comprehensive bilateral agreement which is expected shortly.

Under the interim arrangement United States airlines may operate from this country over the North Atlantic via two routes: one to Paris and beyond to the Middle East, and the other to Marseille via Lisbon and Barcelona. French airlines are also authorized to operate over two North Atlantic routes, one of them terminating in Washington via New York and the other terminating in Chicago via Montreal. The so-called "Fifth-Freedom" traffic privileges are provided for on the aforementioned routes.

The texts of the notes exchanged in Paris on December 28 and 29 follow:

Note Dated December 28, 1945 From the American Ambassador to the French Minister of Foreign Affairs

EXCELLENCY:

I have the honor to refer to the Air Transport Agreement concluded between the Governments of the United States and France by an exchange of notes dated July 15, 1939.

As your Excellency is aware, it is the desire of my Government to see the restoration of international civil air services at the earliest practicable date. I venture to inquire, therefore, if your Excellency's Government would be disposed, in view of the existing agreement, to grant authorization for American Air Carriers to operate over the following routes:

One. The United States via intermediate points over a North Atlantic route to Paris and beyond via

¹ BULLETIN of Aug. 12, 1939, p. 114; Executive Agreement Series 153.

intermediate stops in Switzerland, Italy, Greece to the Near East and India; in both directions.

Two. The United States via intermediate points over a North Atlantic route to Lisbon, Barcelona and Marseille; in both directions.

In making this request, I should state that my government desires that the American carriers concerned shall have the right to pick up and discharge international traffic in passengers, mail and cargo at the points in French territory named above.

Although it is unknown at this moment the number of schedules the American operators would be prepared to perform, it is hoped that Your Excellency's Government would be disposed to permit a greater frequency than the two flights weekly accorded in the air transport agreement under reference.

My government suggests that the addition to the existing agreement which would be constituted by the present letter together with a favorable response from Your Excellency, should be subject to termination at any time by either government on one month's notice in writing to the other.

I take this occasion to renew to Your Excellency the assurances of my highest consideration.

JEFFERSON CAFFERY

Translation of Note Dated December 29, 1945 From the French Minister of Foreign Affairs to the American Ambassador

Mr. AMBASSADOR:

Your Excellency was kind enough to send me the following letter under date of December 28, 1945:

[Here is quoted the text of the American Ambassador's note of December 28 as given above.]

I have the honor to inform Your Excellency that pending the conclusion of a new general agreement on this matter, the French Government is quite disposed, with reference to the arrangement for the operation of air transport services dated July 15, 1939, to grant to United States air carriers the right to pick up and discharge, in international traffic, passengers, mail and cargo at Paris and Marseille on the above-mentioned routes under the following conditions:

A. The Government of the United States will grant to French airlines the same rights on the following routes:

1. France via intermediate points over a North Atlantic route to New York and Washington; in both directions.
2. France via intermediate points over a North Atlantic route to Montreal and Chicago; in both directions.

B. In the establishment and technical and commercial operation of the long range services mentioned above, the airlines of each of the two countries shall take into consideration the interests of the airlines of the other in order not to affect unduly the services which the latter perform on all or part of the same routes.

The right of the airlines of each country to embark and disembark, in the cities and on the routes enumer-

ated above, passengers, mail and goods destined to or coming from third countries, is accorded with the view to permitting more economical operation of the long range services performed by the said airlines, such services to retain as their primary objective the connection between the country of which each airline is a national and the country of ultimate destination.

I would add that the French Government will consider favorably the requests which may be presented to it by the Government of the United States for flights in addition to the two per week provided in the existing agreement, it being understood that the French Government will have benefit of the same frequencies.

Conforming to the proposal made by the Government of the United States, the French Government agrees that the addition to the existing agreement, constituted by the present communication together with the letter from Your Excellency, may be terminated at any time by either government, such denunciation to take effect at the expiration of one month following written notification to the other government.

Please accept, Mr. Ambassador, the assurances of my very highest consideration.

GEORGES BIDAULT

Note Dated December 29, 1945 From the American Ambassador to the French Minister of Foreign Affairs

EXCELLENCY:

I have the honor to refer to Your Excellency's letter of today's date quoting my letter of December 28, 1945 on the subject of air transport services between the United States and France and adding the following:

[The appropriate paragraphs of the December 29 note from the French Minister of Foreign Affairs, given above, are quoted here.]

I have the honor to inform Your Excellency that the foregoing provisions are acceptable to the Government of the United States.

I take this occasion to renew to Your Excellency the assurances of my highest consideration.

JEFFERSON CAFFERY

Military-Mission Agreement

[Released to the press December 28]

Honduras

In conformity with the request of the Government of Honduras, there was signed on December 28, by Dean Acheson, Acting Secretary of State, and Julián R. Cáceres, Ambassador of Honduras in Washington, an agreement providing for the detail of a military mission by the United States to serve in Honduras.

The agreement will continue in force for four years from the date of signature, but may be extended beyond that period at the request of the Government of Honduras.

The agreement contains provisions similar in general to provisions contained in agreements between the United States and a number of other American republics providing for the detail of officers of the United States Army or Navy to advise the armed forces of those countries.

Disposition of Enemy Aliens From Other American Republics

[Released to the press December 27]

In recent weeks the State Department has been going ahead with the program announced on November 2 with respect to the enemy aliens deported to this country during the war from other American republics.¹ The files on these aliens have been under study and from time to time groups of individuals have been released and permitted to return to the American country from which they were deported. In making its decisions in these cases, the State Department has been giving great weight to the existence in any case of native American family ties. The State Department has been concentrating on effecting the release of all those not considered dangerous as quickly as possible and accordingly has taken no steps looking toward deportation of those considered dangerous. As previously announced, no individual will be deported until after he has had an opportunity for a hearing and the Government of the country which deported him to the United States has been consulted.

Some of the American republics concerned have indicated their desire to have some or all of the aliens they deported to the United States returned. A memorandum has been dispatched to all the governments concerned announcing a uniform policy with respect to such requests. That memorandum will be made public as soon as it has been transmitted to those governments.

The total number of aliens deported to this country under this program during the war was about 1,000, not including wives and children who came along voluntarily. About 100 aliens claim that they are not natives or citizens of an enemy country and hence are not alien enemies within the meaning of the Alien Enemy Act. Some of these persons have filed petitions for habeas corpus in the district courts of the United States. In two of these cases, filed in North Dakota, the Government did not contest the writs because the State Department had already decided that the individuals should be released. The other cases are still pending.

In addition a few writs of habeas corpus have been filed by persons who, although admittedly citizens of an enemy country, contest the authority of the United States Government to hold them in internment under the Alien Enemy Act. This question is now before the court in the southern district of New York for decision.

American Delegation to Brazilian Presidential Inauguration

The White House announced on December 26 that Mayor Fiorello H. La Guardia has been appointed to represent the President at the coming presidential inauguration in Brazil. He will have the rank of Special Ambassador. Other members of the American Delegation will be Ambassador Adolf A. Berle, Jr.; Philip O. Chalmers, Chief of the Department's Brazilian Division; and military and naval aides who are yet to be selected.

¹ BULLETIN of Nov. 4, 1945, p. 737.

THE DEPARTMENT

Foreign Liquidation Commissioner²

139.1 DELEGATION OF AUTHORITY TO THE FOREIGN LIQUIDATION COMMISSIONER FOR ALLOCATION OF FUNDS: (Effective 10-20-45) In accordance with paragraph 11, part III of Executive Order 9630, the Special Assistant to the Secretary of State and Foreign Liquidation Commissioner is hereby delegated authority, under the general supervision of the Assistant Secretary of State for Economic Affairs, to execute allocation letters authorizing the allocation, revocation, and transfer of funds in all cases where the Department of State is authorized to allocate, revoke, or transfer such funds in connection with:

I The administration of the act of March 11, 1941, as amended, entitled "An Act further to promote the defense of the United States and for other purposes", covering lendlease.

II The administration of the functions in connection with participation by the United States in the United Nations Relief and Rehabilitation Administration as originally defined in Executive Order 9453 of July 1, 1944.

III The administration of activities in liberated areas with respect to supplying the requirements of and procuring materials in such areas, as originally set forth in paragraph 4 of Executive Order 9380 of September 25, 1943.

139.2 AUTHORIZATION TO THE FOREIGN LIQUIDATION COMMISSIONER TO REDELEGATE AUTHORITY TO THE WAR STORES DISPOSAL BOARD, UNION OF SOUTH AFRICA: (Effective 12-11-45) Subject to the prior approval of the Surplus Property Administrator, as required by revised Regulation No. 8, dated September 25, 1945, under the Surplus Property Act, the Foreign Liquidation Commissioner is hereby authorized to redelegate to the War Stores Disposal Board of the Union of South Africa all the authority conferred upon him by Departmental Order 1347 to dispose of surplus property located in the Union of South Africa, on the following conditions:

I Disposal of United States surpluses will be made with the same care and favor accorded to surplus property of other origins.

II Provision will be made for the return to the United States or the Foreign Liquidation Commissioner of such items as the Foreign Liquidation Commissioner or his representative may from time to time designate.

III Due consideration will be given to the needs of American medical, educational or philanthropic institutions.

IV Consideration will be given to the legitimate interests of American manufacturers represented in South Africa by affording them first opportunity to acquire at

² As of Dec. 1, 1945 by Departmental Order 1360 a new series was established for Departmental issuances which supersedes the former series of departmental orders and designations. The new series of issuances will include Departmental Regulations, Office Instructions, and Departmental Announcements.

competitive prices any items readily identifiable as of their manufacture.

V Disposal will be made subject to such conditions as will prevent reexport to the United States.

VI Proceeds of disposals will be paid to the United States in dollars.

VII No customs duties will be applied on the sale of any United States surplus goods prior to sale, or upon sale for export from the Union of South Africa, or which are discriminatory, or which prevent the sale of surpluses at fair prices to the United States Government.

VIII Custodial responsibility for the handling and maintenance of all surpluses pending disposition will be provided by the War Stores Disposal Board.

IX The Foreign Liquidation Commissioner or his representative will have the right to reclaim any property prior to final disposition.

X All proposed sales will be submitted to the Foreign Liquidation Commissioner or his representative for his prior approval or veto as to price, purchaser, and conditions.

XI Disposal of lend-lease items on the above terms will be considered a benefit to the United States under the lend-lease act to the extent of the proceeds realized, but such disposal shall not be regarded as in any way prejudicing the rights of the United States in connection with the settlement of the remaining balance of the South African lend-lease account.

Executive Committee on Economic Foreign Policy¹

182.1 EXECUTIVE COMMITTEE ON ECONOMIC FOREIGN POLICY (ECA) : (Effective 12-15-45)

I FUNCTIONS. The Executive Committee on Economic Foreign Policy, established on April 18, 1944, under authority of a letter from the President to the Secretary of State, examines problems and developments affecting the economic foreign policy of the United States and formulates recommendations in regard thereto for the consideration of the Secretary of State, and, in appropriate cases, of the President. Major interdepartmental committees concerned with foreign economic affairs, including those established in the Department of State, will be appropriately geared to this Committee.

II ORGANIZATION. The Committee consists of representatives of the Departments of State, Treasury, Agriculture, Commerce, and Labor, and the United States Tariff Commission. Representatives of other departments and agencies are invited to participate in this Committee or its subcommittees when matters of special

interest to them are under consideration. Observers from the Office of War Mobilization and Reconversion and from the Bureau of the Budget attend meetings of the Committee.

III SECRETARIAT.

A In order that the responsibility for integrating interdepartmental committees concerned with foreign economic affairs may be discharged as effectively as possible, the Secretariat of the Executive Committee, located in the office of the Assistant Secretary of State for Economic Affairs, will serve not only that Committee but also its subcommittees, and maintain liaison with other related interdepartmental economic committees.

B The Secretariat will have the following functions:

1 To maintain centrally, for the convenience of Committee members and officers of various interested agencies of the Government, complete and up-to-date information concerning the activities, work, membership, and terms of reference of the Executive Committee, its subcommittees and related interdepartmental economic committees; to maintain complete and current files of the agenda, minutes, memoranda, reports, and documents of the Executive Committee and its subcommittees and, in appropriate cases, of related economic committees.

2 To duplicate, number, distribute, and to maintain a record of distribution of all papers of the Executive Committee and its subcommittees and to maintain a central supply of extra copies of such papers for the convenience of members.

3 To follow closely the minutes, reports, and other documents of all subcommittees of the Executive Committee and, in appropriate cases, of related interdepartmental economic committees; to advise such committees regarding the organization and presentation of their reports to the Executive Committee; and to work out in the light of the progress of the various committees a schedule of such reports.

4 To provide for regular consultation between the secretaries of the Executive Committee, its subcommittees, and, as occasion warrants, of related interdepartmental economic committees with a view to noting any inconsistencies in terms of reference or duplication of work, any developments of conflicting views between committees, and possible needs for studies in related fields; and to bring such matters, if necessary, to the attention of the Executive Committee.

5 To maintain, in such other ways as may be appropriate, liaison between the Executive Committee and other related interdepartmental economic committees with a view to bringing to their attention matters of mutual interest.

6 To work with staffs of various Government agencies in the preparation of memoranda for the consideration of the Executive Committee.

7 To maintain a written record of the proceedings of the Executive Committee and to handle correspondence concerning the Committee or arising from its proceedings.

¹ As of Dec. 1, 1945 by Departmental Order 1360 a new series was established for Departmental issuances which supersedes the former series of departmental orders and designations. The new series of issuances will include Departmental Regulations, Office Instructions, and Departmental Announcements.

8 To keep the chairman or secretaries of subcommittees informed of actions of the Executive Committee relating to their work and of changes in membership of their committees or terms of reference; and to initiate procedure for the organization of new subcommittees established by the Executive Committee.

9 To anticipate, so far as may be possible, and bring to the attention of the Executive Committee problems which may require policy determinations and, after consultation with the appropriate Committee members or officers of various interested agencies, to supply background information and analysis of issues involved in such problems; and to submit for consideration of the Executive Committee proposals regarding procedure for dealing with such matters, including establishment of subcommittees, together with suggested terms of reference and membership.

10 To maintain liaison between the Executive Committee and such joint committees of the legislative and executive branches of the Government as may be established to consider questions of economic foreign policy.

C The Secretariat will work closely with all Offices and Divisions of the Department which have a concern in the matters with which it is dealing. All Offices and Divisions are requested to bring to the attention of the Secretariat any matters involving foreign economic policy which should receive the consideration of the Executive Committee.

IV DOCUMENTS REFERRED TO THE EXECUTIVE COMMITTEE. The Executive Committee requires that any document to be considered by it be distributed by its Secretariat at least two days in advance of the meeting. Although a longer period for study and clearance by the agencies concerned is usually provided, it is necessary to limit the amount of time for review to a minimum in order to enable the Committee to take prompt and effective action. When a document is received for distribution to the Committee, the Secretariat will not delay distribution except upon the request of the originating source, so as to allow ample opportunity for study and clearance. It may, however, defer the document on the agenda if additional time for study is required by any agency or if such action is warranted for other reasons which will be explained to the Committee.

V CLEARANCE OF DOCUMENTS PRIOR TO SUBMISSION TO THE SECRETARIAT. In the case of a document originating in a subcommittee of the Executive Committee or in any other interdepartmental committee, the representative of the Department of State will, before the document is sent to the Secretariat, obtain clearance from the political as well as the economic Divisions of the Department especially concerned. Any document originating in a Division or Office of the Department of State and involving a question of policy will, before it is sent to the Secretariat, (1) be cleared with other political and economic Divisions especially concerned, and (2) be referred to the Central Secretariat of the Executive Staff Com-

mittees for such Departmental clearance as may be appropriate.

VI CLEARANCE BY SECRETARIAT. Any policy documents which have not been referred to the Central Secretariat for clearance by the Executive Staff Committees (if such Departmental clearance is considered appropriate) will be referred to it for that purpose at the time of their distribution to the Executive Committee. After clearance, the Central Secretariat will advise the Department's representatives on the Executive Committee of the Department's views. However, any position formulated in the Department, regardless of at what level and prior to receipt of views from other agencies represented on the Executive Committee, will be regarded as tentative and will not preclude the Department's representative on the Executive Committee from modifying that position in the light of the Committee's discussion, subject, of course, to final approval by the Secretary of State and, in appropriate cases, by the President.

VII APPROVAL AND DISPOSITION OF POLICY DOCUMENTS BY THE SECRETARY OF STATE. After approval by the Executive Committee (and, if any substantive changes have been made, after further clearance by the Executive Staff Committees), the Secretariat of the Executive Committee will submit all policy documents to the Secretary of State for approval. Any document which the Secretary does not approve will, together with the reason for its rejection, be referred back to the Executive Committee for reconsideration. After approval by the Secretary and, in appropriate cases, by the President, all policy documents, together with an indication of such approval, will be transmitted to the heads of Government agencies concerned, including those represented on the Executive Committee, and to the Chiefs of the United States diplomatic missions abroad. The Secretariat will be responsible for preparing letters of transmittal and for seeing that documents are sent to the field through proper officers.

Appointment of Officers

Emilio G. Collado as Director of the Office of Financial and Development Policy, effective December 1, 1945, concurrently with his duties as Deputy on Financial Affairs to the Assistant Secretary for economic affairs.

[Released to the press December 28]

Assistant Secretary William Benton announced on December 28 that the following persons will serve as acting officers of the Office of International Information and Cultural Affairs:

William T. Stone, Director; Charles Hulten, Deputy Director; J. Noel Macy, Chief, Press and Publications Division; John Begg, Chief, Motion Picture Division; John Ogilvie, Chief, International Broadcasting Division; Herschel Brickell, Exchange of Persons; Richard Heindel, Libraries and Institutions.

Regional Chiefs: Eric Bellquist, Europe; George Taylor, Far East; William Schurz, Latin America.

PUBLICATIONS

DEPARTMENT OF STATE

During the quarter beginning October 1, 1945, the following publications have been released by the Department:¹

2387. European Inland Transport: Agreement Between the United States of America and Other Powers—Signed at London May 8, 1945. Executive Agreement Series 458. 35 pp. 10¢.
2388. Military Mission: Agreement Between the United States of America and Guatemala—Signed at Washington May 21, 1945; effective May 21, 1945. Executive Agreement Series 459. 11 pp. 5¢.
2389. Status of Countries in Relation to the War, August 12, 1945. Compiled by Katharine Elizabeth Crane. 13 pp. 10¢.
2390. The Department of State Bulletin, vol. XIII, no. 326, September 23, 1945. 30 pp. 10¢.²
2391. Recent Publications of the Department of State. 4 pp. Free.
2393. The Department of State Bulletin, vol. XIII, no. 327, September 30, 1945. 49 pp. 10¢.
2394. Diplomatic List, October 1945. ii, 128 pp. Subscription, \$2 a year; single copy 20¢.
2395. The Department of State Bulletin Index, vol. XII, nos. 289-313, January 7-June 24, 1945. 32 pp. Free.
2396. Armistice: Agreement Between the United States of America, the Union of Soviet Socialist Republics, and the United Kingdom of Great Britain and Northern Ireland and Hungary Together With Annex and Protocol and Letter of January 17, 1945—Agreement signed at Moscow January 20, 1945; effective January 20, 1945. Executive Agreement Series 456. 32 pp. 10¢.
2397. The Department of State Bulletin, vol. XIII, no. 328, October 7, 1945. 48 pp. 10¢.
2398. Report on First Session of the Council of Foreign Ministers. By James F. Byrnes, Secretary of State, October 5, 1945. 10 pp. 5¢.
2399. The Department of State Bulletin, vol. XIII, no. 329, October 14, 1945. 30 pp. 10¢.
2400. Military Aviation Mission: Agreement Between the United States of America and Guatemala—Signed at Washington February 21, 1945; effective February 21, 1945. Executive Agreement Series 466. 11 pp. 5¢.
2401. The Proclaimed List of Certain Blocked Nationals, Cumulative Supplement No. 7, October 25, 1945, to Revision IX of February 28, 1945. 118 pp. Free.
2402. Mutual Aid: Agreement and Exchange of Notes Between the United States of America and Iraq—Agreement signed at Washington July 31, 1945; effective July 31, 1945. Executive Agreement Series 470. 7 pp. 5¢.
2403. Certain Problems of Marine Transportation and Litigation: Agreement Between the United States of America and Norway—Effectuated by exchange of notes signed at Washington May 29, 1945; effective May 29, 1945. Executive Agreement Series 471. 4 pp. 5¢.
2404. Air Transport Services: Agreement Between the United States of America and Iceland—Effectuated by exchange of notes signed at Reykjavik January 27, 1945; effective February 1, 1945. Executive Agreement Series 463. 8 pp. 5¢.
2405. The Department of State Bulletin, vol. XIII, no. 330, October 21, 1945. 62 pp. 10¢.
2408. Treaty Developments, 1944. 36 pp. 10¢.
2409. The Department of State Bulletin, vol. XIII, no. 331, October 28, 1945. 54 pp. 10¢.
2410. American Foreign Policy: 12 Guiding Principles stated by President Truman. 4 pp. 5¢.
2411. Proposals for Expansion of World Trade and Employment. Commercial Policy Series 79. 30 pp. 10¢.
2412. Good-Neighborliness Through Technical Agricultural Collaboration. By Ross E. Moore, Department of Agriculture. 15 pp. 5¢.
2413. International Council of Scientific Unions. By Esther C. Brunauer, Department of State. 13 pp. 5¢.
2414. Exchange of Specialists and Distinguished Leaders in the Western Hemisphere. By Francis J. Colligan, Department of State. Inter-American Series 27. 12 pp. 5¢.
2415. Cooperative Fellowship Program: Agreement Between the United States of America and Peru—Effectuated by exchange of notes signed at Washington December 21, 1944 and January 4, 1945. Executive Agreement Series 474. 4 pp. 5¢.
2416. Foreign Service List, October 1, 1945. 65 pp. 15¢.
2417. Health and Sanitation Program: Agreement Between the United States of America and Haiti—Effectuated by exchange of notes signed at Port-au-Prince June 29 and July 12, 1944. Executive Agreement Series 453. 3 pp. 5¢.
2418. Naval Mission: Agreement Between the United States of America and Chile—Signed at Washington May 24, 1945; effective May 24, 1945. Executive Agreement Series 468. 12 pp. 5¢.
2419. The Department of State Bulletin, vol. XIII, no. 332, November 4, 1945. 34 pp. 10¢.
2420. Trial of War Criminals. iii, 89 pp. 20¢.
2421. Military Service: Agreement Between the United States of America and Venezuela—Effectuated by exchange of notes signed at Washington May 10 and 11, 1945. Executive Agreement Series 476. 5 pp. 5¢.
2422. Military Service: Agreement Between the United States of America and Chile—Effectuated by exchange of notes signed at Washington June 7 and 11, 1945. Executive Agreement Series 478. 4 pp. 5¢.

¹ Serial numbers which do not appear in this list have appeared previously or will appear in subsequent lists.

² Subscription, \$3.50 a year; trial subscription for 13 weeks, \$1 (renewal only on yearly basis).

2423. *The Axis in Defeat: A Collection of Documents on American Policy Toward Germany and Japan.* v, 118 pp. 30¢.
2424. *The Department of State Bulletin*, vol. XIII, no. 333, November 11, 1945. 30 pp. 10¢.
2425. *Diplomatic List*, November 1945. ii, 129 pp. Subscription, \$2 a year; single copy 20¢.
2426. *Military Service: Agreement Between the United States of America and Ecuador—Effected by exchange of notes signed at Washington April 2 and 5, 1945.* Executive Agreement Series 475. 4 pp. 5¢.
2427. *Proclaimed List of Certain Blocked Nationals*, Cumulative Supplement No. 8, November 26, 1945, to Revision IX of February 28, 1945. 251 pp. Free.
2429. *Health and Sanitation Program: Agreement Between the United States of America and Ecuador—Effected by exchange of notes signed at Quito December 23, 1944 and January 15, 1945.* Executive Agreement Series 473. 4 pp. 5¢.
2430. *The Department of State Bulletin*, vol. XIII, no. 334, November 18, 1945. 44 pp. 10¢.
2432. *The Department of State Bulletin*, vol. XIII, no. 335, November 25, 1945. 51 pp. 10¢.
2433. *Relief and Rehabilitation—What Is Our Stake?* Foreign Affairs Outline No. 5, December 1945. 4 pp. Free.
2434. *The Department of State Bulletin*, vol. XIII, no. 336, December 2, 1945. 24 pp. 10¢.
2437. *Diplomatic List*, December 1945. ii, 137 pp. Subscription, \$2 a year; single copy 20¢.
2438. *Memorandum on the Postwar International Information Program of the United States.* By Dr. Arthur W. Macmahon. xx, 135 pp. 30¢.
2439. *Anglo-American Financial and Commercial Agreements.* Commercial Policy Series 80. 12 pp. 5¢.
2440. *The Department of State Bulletin*, vol. XIII, no. 337, December 9, 1945. 39 pp. 10¢.
2441. *Proclaimed List of Certain Blocked Nationals*, Revision X, December 20, 1945. 157 pp. Free.

TREATY SERIES

991. *Sanitary Maritime Navigation: Convention Between the United States of America and Other Powers Modifying the Convention of June 21, 1926—Signed for the United States of America January 5, 1945; ratified by the President May 29, 1945; proclaimed by the President May 29, 1945; effective as to the United States of America May 29, 1945.* 38 pp. 10¢.
992. *Sanitary Aerial Navigation: Convention Between the United States of America and Other Powers Modifying the Convention of April 12, 1933—Signed for the United States of America January 5, 1945; ratified by the President May 29, 1945; proclaimed by the President May 29, 1945; effective as to the United States of America May 29, 1945.* 44 pp. 10¢.

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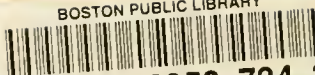
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